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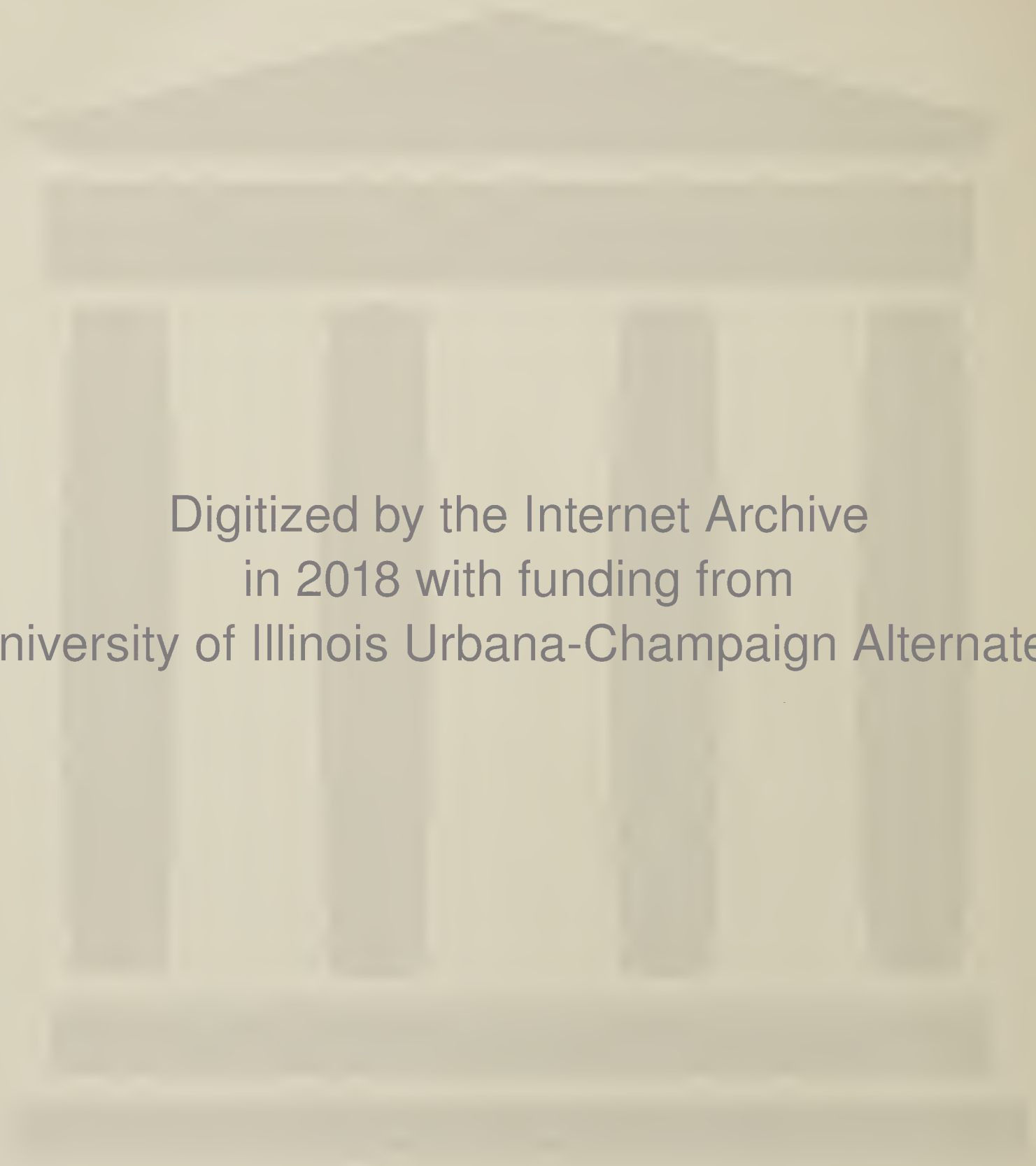
BETWEEN

EMPIRE GAS AND FUEL COMPANY
AND OTHER CORPORATIONS

AND

THE EQUITABLE TRUST COMPANY OF NEW YORK,
Trustee.

Dated as of May 1, 1922



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The above Table of Contents was not a part of the Mortgage, but
was inserted after execution for convenience.

This Indenture dated as of the first day of May, 1922, by and between EMPIRE GAS AND FUEL COMPANY, a corporation organized and existing under the laws of the State of Delaware (hereinafter called the Company), party of the first part; EMPIRE REFINING COMPANY, a corporation organized and existing under the laws of the State of Delaware, EMPIRE GAS AND FUEL COMPANY, a corporation organized and existing under the laws of the State of Maine, EMPIRE GAS AND PIPELINE COMPANY, a corporation organized and existing under the laws of the State of Maine, EMPIRE GASOLINE COMPANY, a corporation organized and existing under the laws of the State of Delaware, and EMPIRE PETROLEUM COMPANY, a corporation organized and existing under the laws of the State of Delaware (hereinafter collectively called the Subsidiary Mortgagor Companies), parties of the second part; and THE EQUITABLE TRUST COMPANY OF NEW YORK, a corporation organized and existing under the laws of the State of New York (hereinafter called the Trustee), party of the third part;

WITNESSETH :

WHEREAS, the Company and the Subsidiary Mortgagor Companies are duly authorized by law to borrow money for their lawful corporate purposes and to issue their obligations for moneys so borrowed, and to mortgage and pledge their property for their lawful corporate purposes; and

WHEREAS, the Company has deemed it necessary to borrow money for its corporate purposes and to issue its bonds therefor, and to mortgage and pledge, in the form of this Indenture, its property hereinafter described to

secure the payment of said bonds, and to that end has duly authorized and directed the issuance of its bonds as in this Indenture hereinafter provided and the mortgaging and pledging of its property hereinafter described to secure the payment of said bonds; and

WHEREAS, the Company is the owner of substantially all of the authorized and outstanding capital stock of the Subsidiary Mortgagor Companies; and

WHEREAS, the Subsidiary Mortgagor Companies, for the purpose of effecting their proper corporate financing which singly each would be unable to do but which collectively is made possible through the execution of this Indenture by virtue of an agreement made by them with the Company for providing for their proper corporate financial needs out of the proceeds of the issuance of said bonds, have authorized and directed the mortgaging and pledging of their property hereinafter described to secure the payment of said bonds; and

WHEREAS, the bonds to be issued hereunder (hereinafter called the Bonds) are to be issued in series, those of each particular series to be substantially identical with one another in tenor, to bear interest at such rate or rates, to mature on such date or dates, and to contain such other specifications and provisions as are hereafter in this Indenture provided or permitted, and the Bonds of each series to be designated by such distinctive name as may, consistently with the provisions hereof, be deemed appropriate by the Board of Directors of the Company; and

WHEREAS, the Bonds of the initial series, to be known as the First and Refunding Convertible Fifteen Year 7½% Gold Bonds, Series "A", of the Company (herein-

after called the Bonds of Series "A"), the coupons to be annexed thereto, and the Trustee's certificate to be endorsed thereon, are to be substantially in the forms following, respectively, with appropriate insertions, omissions and variations as in this Indenture provided, to wit:

[FORM OF COUPON BOND]

No.....

\$.....

UNITED STATES OF AMERICA

STATE OF DELAWARE

EMPIRE GAS AND FUEL COMPANY

FIRST AND REFUNDING CONVERTIBLE FIFTEEN YEAR 7½%
GOLD BOND,
SERIES "A".

EMPIRE GAS AND FUEL COMPANY, a corporation of the State of Delaware (hereinafter called the Company, which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to the bearer hereof, or, if this Bond be registered, to the registered holder hereof, on May 1, 1937 (unless before that date this Bond shall have been redeemed in accordance with the provisions hereof) at the principal office of the Trustee, hereinafter mentioned, or its successor as Trustee, in the Borough of Manhattan in the City and State of New York,

Dollars in gold coin of the United States of America, of, or equal to, the standard of weight and fineness existing May 1, 1922, and to pay interest thereon from May 1, 1922, until this Bond is paid, at the rate of seven and one-half per cent. (7½%) per annum, semi-annually, on the first days of May and November in each year at the office or agency of the Company in the Borough of Manhattan in the City and State of New York, or at the option of the bearer, at the office of Halsey, Stuart & Co., Inc., or its successor, in the City of Chicago in the State of Illinois, in like gold coin, but only in accordance with the terms of and on presentation

and surrender of the interest coupons hereto attached as they severally mature, without deduction for any taxes, assessments or governmental charges (other than inheritance and succession taxes) which the Company or its agents or the Trustee may be required or permitted to pay thereon or to deduct or retain therefrom under any present or future law of the United States of America or of any state, county, municipality or other taxing authority therein, except such portion of any Federal income tax with respect to income derived from such interest as shall be in excess of two per cent. per annum of such interest. It is provided in said Indenture that the Company will reimburse to the bearer, or if this Bond be registered to the registered holder, hereof, any personal property taxes of the States of Pennsylvania and Connecticut, to the extent of four mills per annum in each of said States on each dollar of the principal amount hereof, and any income tax of the State of Massachusetts to the extent of 6% per annum on the income derived from the interest paid hereon, which may be paid by such bearer or registered holder subject to the payment thereof by reason of the ownership hereof or the deriving of income herefrom, if application therefor be made, in the manner and upon the conditions provided in the Indenture hereinafter mentioned, within sixty days after the date of each payment of any such tax, but the Company shall in no event be liable to reimburse such bearer or registered holder for any interest accrued or penalty imposed and paid in addition to the amount of said tax as originally assessed.

This Bond is one of a duly authorized issue of Bonds of the Company, limited to an aggregate principal amount of \$150,000,000, all issued and to be issued in series, under and equally and ratably secured by a Mortgage and Indenture of Trust, dated as of May 1, 1922 (herein called the Indenture), duly executed and delivered by the Company, Empire Refining Company, Empire Gas and Fuel Company, a Maine corporation, Empire Gas and Pipeline Company, Empire Gasoline Company and Empire Petroleum Company, to The Equitable Trust Company of New York, as Trustee (herein called Trustee), to which Indenture and all instruments supplemental thereto, refer-

ence is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the bearer or registered holder hereof with respect thereto, and the terms, restrictions and conditions upon which the Bonds are issued and secured, to all of the terms and provisions of which said Indenture the bearer or registered holder hereof consents by acceptance hereof. This Bond is one of a series of said Bonds, known as the First and Refunding Convertible Fifteen Year 7½% Gold Bonds, Series "A", of the Company.

This Series of Bonds is subject to redemption at any time, upon sixty days prior notice, in the manner provided in the Indenture, in whole, or in part by lot, at the option of the Company, on or before April 30, 1923, at one hundred and fifteen per cent. (115%) of the principal amount thereof and accrued interest to the date of redemption, and thereafter and on or before November 1, 1936 at one hundred and fifteen per cent. (115%) of the principal amount thereof and accrued interest to the date of redemption, less one per cent. (1%) of the principal amount thereof for each full year from May 1, 1922 to the date of redemption, and after November 1, 1936, at the principal amount thereof and accrued interest to the date of redemption.

This Bond is entitled to the benefits of the Sinking Fund and of the Depletion and Depreciation Fund provided for this Series in the Indenture, and is subject to redemption through the operation of such Funds, upon thirty days prior notice, in the manner provided in the Indenture, on or before April 30, 1923 at one hundred and seven and one-half per cent. (107½%) of the principal amount thereof and accrued interest to the date of redemption, and thereafter and on or before November 1, 1936, at one hundred and seven and one-half per cent. (107½%) of the principal amount thereof and accrued interest to the date of redemption less one-half of one per cent. (½ of 1%) of the principal amount thereof for each full year from May 1, 1922 to the date of redemption, and after November 1, 1936, at the principal amount thereof and accrued interest to the date of redemption.

Interest shall cease to accrue on this Bond if it is called for redemption and payment of the redemption price is duly provided by the Company as specified in the Indenture, from and after the date for redemption fixed in the notice thereof.

This Bond is convertible, at the option of the bearer or registered holder into shares of the Eight Per Cent. Cumulative Preferred Stock of the par value of \$100 each of the Company on the basis of the Sinking Fund redemption price then in effect for this Bond and of par for said Preferred Stock with a cash adjustment of accrued interest and dividends, at any time except that such right to convert shall terminate thirty days before the maturity hereof or thirty days before the redemption date if this Bond is called for redemption other than through the operation of the Sinking Fund or the Depletion and Depreciation Fund. Fractional shares will not be issued on such conversion, but fractional scrip exchangeable for such stock in amounts aggregating one or more full shares, will be delivered with respect to any fraction of a share resulting upon such conversion.

This Bond shall pass by delivery, unless registered in the holder's name on the books of the Company at the office or agency of the Company in the Borough of Manhattan in the City and State of New York, such registration being noted hereon by or on behalf of the Company. After such registration, no transfer hereof shall be valid unless made at said office or agency by the registered holder hereof, in person or by attorney, duly authorized, and similarly noted hereon, but this Bond may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; and this Bond may again, from time to time, be registered or discharged from registration in the same manner. Such registration shall not affect the negotiability of the coupons attached hereto, which shall continue to be transferable by delivery.

The bearer or registered holder of any coupon Bond or Bonds of this Series of an aggregate principal amount of \$1,000 or some multiple thereof may, at his option, surrender the same with all unmatured interest coupons

attached, in exchange for a registered Bond or Bonds of this Series of a like aggregate principal amount, without interest coupons, which registered Bond or Bonds may in turn be exchanged for a coupon Bond or Bonds; all upon payment of the charges and subject to the terms and conditions set forth in the Indenture.

In case an event of default, as defined in the Indenture, shall occur, the principal of this Bond may become, or be declared, due and payable before maturity in the manner and with the effect provided therein.

No recourse shall be had for the payment of any part of this Bond or of the interest hereon or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of this Bond against any incorporator or any past, present or future, stockholder, officer or director of the Company, as such, either directly or through the Company, or otherwise, by virtue of any contract, constitution, statute or rule of law or by the enforcement of any assessment or otherwise, all such liability of incorporators, stockholders, directors or officers being released by the bearer or registered holder hereof by the acceptance of this Bond and being also waived and released by the terms of the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate endorsed hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, EMPIRE GAS AND FUEL COMPANY has caused this Bond to be signed by its president or a vice-president, and its corporate seal to be hereunto affixed and attested by its secretary or an assistant secretary, and interest coupons bearing the facsimile signature of its treasurer to be attached hereto, all in the City and State of New York as of the first day of May, 1922.

EMPIRE GAS AND FUEL COMPANY,
by

Attest:

.....
Vice-President.

.....
Assistant Secretary.

[FORM OF COUPON]

No. \$.....

On the first day of , 19 , unless the Bond hereinafter mentioned shall have been called for previous redemption and payment duly provided therefor, Empire Gas and Fuel Company will pay to the bearer, at its office or agency in the Borough of Manhattan in the City and State of New York, or at the option of the bearer, at the office of Halsey, Stuart & Co., Inc., or its successor, in the City of Chicago, State of Illinois, on the surrender of this coupon Dollars in gold coin of the United States of America, without deduction for taxes as specified in its First and Refunding Convertible Fifteen Year 7½% Gold Bond, Series "A", No....., being six months' interest then due on said Bond.

.....
Treasurer.

[FORM OF REGISTERED BOND]

No..... \$.....

UNITED STATES OF AMERICA

STATE OF DELAWARE

EMPIRE GAS AND FUEL COMPANY

FIRST AND REFUNDING CONVERTIBLE FIFTEEN YEAR

7½% GOLD BOND,

SERIES "A".

EMPIRE GAS AND FUEL COMPANY, a corporation of the State of Delaware (hereinafter called the Company, which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to

, or registered assigns, on May 1, 1937 (unless before that date this Bond shall have been redeemed in accordance with the provisions hereof) at the principal office of the Trustee, hereinafter mentioned, or its suc-

cessor as Trustee, in the Borough of Manhattan in the City and State of New York, Dollars in gold coin of the United States of America, of, or equal to, the standard of weight and fineness existing May 1, 1922, and to pay interest thereon to the registered holder hereof from the first day of May or the first day of November, as the case may be, next preceding the date hereof, or from the date hereof if it be a first day of May, or a first day of November, until this Bond is paid, at the rate of seven and one-half per cent. ($7\frac{1}{2}\%$) per annum, semi-annually, on the first days of May and November in each year at the office or agency of the Company in the Borough of Manhattan in the City and State of New York, or at the option of the registered holder, at the office of Halsey, Stuart & Co., Inc., or its successor, in the City of Chicago in the State of Illinois, in like gold coin, without deduction for any taxes, assessments or governmental charges (other than inheritance and succession taxes) which the Company or its agents or the Trustee may be required or permitted to pay thereon or to deduct or retain therefrom under any present or future law of the United States of America or of any state, county, municipality or other taxing authority therein, except such portion of any Federal income tax with respect to income derived from such interest as shall be in excess of two per cent. per annum of such interest. It is provided in said Indenture that the Company will reimburse to the registered holder hereof, any personal property taxes of the States of Pennsylvania and Connecticut, to the extent of four mills per annum in each of said States on each dollar of the principal amount hereof, and any income tax of the State of Massachusetts to the extent of 6% per annum on the income derived from the interest paid hereon, which may be paid by such registered holder subject to the payment thereof, by reason of the ownership hereof or the deriving of income herefrom, if application therefor be made, in the manner and upon the conditions provided in the Indenture hereinafter mentioned, within sixty days after the date of each payment of any such tax, but the Company shall in no event be liable to reimburse such bearer or registered holder

for any interest accrued or penalty imposed and paid in addition to the amount of said tax as originally assessed.

This Bond is one of a duly authorized issue of Bonds of the Company, limited to an aggregate principal amount of \$150,000,000, all issued and to be issued in series, under and equally and ratably secured by a Mortgage and Indenture of Trust, dated as of May 1, 1922 (herein called the Indenture), duly executed and delivered by the Company, Empire Refining Company, Empire Gas and Fuel Company, a Maine corporation, Empire Gas and Pipeline Company, Empire Gasoline Company and Empire Petroleum Company, to The Equitable Trust Company of New York, as Trustee (herein called Trustee), to which Indenture and all instruments supplemental thereto, reference is hereby made for a description of the property mortgaged and pledged, the nature and extent of the security, the rights of the registered holder hereof with respect thereto, and the terms, restrictions and conditions upon which the Bonds are issued and secured, to all of the terms and provisions of which said Indenture the registered holder hereof consents by acceptance hereof. This Bond is one of a series of said Bonds, known as the First and Refunding Convertible Fifteen Year 7½% Gold Bonds, Series "A", of the Company.

This Series of Bonds is subject to redemption at any time, upon sixty days prior notice, in the manner provided in the Indenture, in whole, or in part by lot, at the option of the Company, on or before April 30, 1923, at one hundred and fifteen per cent. (115%) of the principal amount thereof and accrued interest to the date of redemption, and thereafter and on or before November 1, 1936 at one hundred and fifteen per cent. (115%) of the principal amount thereof and accrued interest to the date of redemption, less one per cent. (1%) of the principal amount thereof for each full year from May 1, 1922 to the date of redemption, and after November 1, 1936, at the principal amount thereof and accrued interest to the date of redemption.

This Bond is entitled to the benefits of the Sinking Fund and of the Depletion and Depreciation Fund provided for this Series in the Indenture, and is subject to redemption through the operation of such Funds, upon

thirty days prior notice, in the manner provided in the Indenture, on or before April 30, 1923 at one hundred and seven and one-half per cent. ($107\frac{1}{2}\%$) of the principal amount thereof and accrued interest to the date of redemption, and thereafter and on or before November 1, 1936, at one hundred and seven and one-half per cent. ($107\frac{1}{2}\%$) of the principal amount thereof and accrued interest to the date of redemption less one-half of one per cent. ($\frac{1}{2}$ of 1%) of the principal amount thereof for each full year from May 1, 1922 to the date of redemption, and after November 1, 1936, at the principal amount thereof and accrued interest to the date of redemption.

Interest shall cease to accrue on this Bond if it is called for redemption and payment of the redemption price is duly provided by the Company as specified in the Indenture, from and after the date for redemption fixed in the notice thereof.

This Bond is convertible at the option of the registered holder into shares of the Eight Per Cent. Cumulative Preferred Stock of the par value of \$100 each of the Company on the basis of the Sinking Fund redemption price then in effect for this Bond and of par for said Preferred Stock with a cash adjustment of accrued interest and dividends, at any time except that such right to convert shall terminate thirty days before the maturity hereof or thirty days before the redemption date if this Bond is called for redemption other than through the operation of the Sinking Fund or the Depletion and Depreciation Fund. Fractional shares will not be issued on such conversion, but fractional scrip exchangeable for such stock in amounts aggregating one or more full shares, will be delivered with respect to any fraction of a share resulting upon such conversion.

This Bond is transferable by the registered holder in person or by duly authorized attorney at the office or agency of the Company in the Borough of Manhattan in the City and State of New York upon the surrender and cancellation of this Bond, and thereupon a new registered Bond or Bonds of this Series of like aggregate principal amount, having endorsed thereon the same coupon bond serial numbers as are endorsed hereon, will be issued to the transferee in exchange herefor; or the

registered holder of this Bond at his option may surrender the same for cancellation in exchange for a coupon Bond or Bonds of this Series of a like aggregate principal amount, with all unmatured interest coupons attached, which coupon Bond or Bonds may in turn be exchanged for a registered Bond or Bonds; all upon payment of the charges and subject to the terms and conditions set forth in the Indenture.

In case an event of default, as defined in the Indenture, shall occur, the principal of this Bond may become, or be declared, due and payable before maturity in the manner and with the effect provided therein.

No recourse shall be had for the payment of any part of this Bond or of the interest hereon or for the satisfaction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of this Bond, against any incorporator or any past, present or future, stockholder, officer or director of the Company, as such, either directly or through the Company, or otherwise, by virtue of any contract, constitution, statute or rule of law or by the enforcement of any assessment or otherwise, all such liability of incorporators, stockholders, directors or officers being released by the registered holder hereof by the acceptance of this Bond and being also waived and released by the terms of the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate endorsed hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, EMPIRE GAS AND FUEL COMPANY has caused this Bond to be signed by its president or a vice-president, and its corporate seal to be hereunto affixed and attested by its secretary or an assistant secretary, all in the City and State of New York as of the day of _____, 19 ____.

EMPIRE GAS AND FUEL COMPANY,
by _____

Attest:

.....
Vice-President.

.....
Assistant Secretary.

[FORM OF TRUSTEE'S CERTIFICATE]

This is one of the Bonds, of the series mentioned therein, described in the within mentioned Indenture.

THE EQUITABLE TRUST COMPANY OF NEW YORK,
Trustee.

by

Assistant Secretary.

and

WHEREAS, the execution of the Bonds and of this Indenture has in all respects been duly authorized and all things necessary to make the Bonds, when signed and sealed by the Company and authenticated from time to time by the Trustee, the valid, binding and legal obligations of the Company, and to constitute this Indenture a valid, binding and legal Mortgage and Indenture of Trust and agreement for the security of the Bonds and coupons in accordance with its terms, have been done and performed and have happened;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the Company, party hereto of the first part, in consideration of the premises, and to secure the payment of the principal and interest of the Bonds to be issued as herein provided, and the performance by the Company and the parties of the second part hereto of all the covenants and agreements contained in said bonds and this Indenture, does hereby grant, bargain, sell, convey, assign, mortgage, pledge, transfer, set over and confirm unto THE EQUITABLE TRUST COMPANY OF NEW YORK, the party hereto of the third part, as Trustee, and to its successors and assigns forever, in trust, as herein provided, ALL and singular the real and personal property of the Company now owned or hereafter acquired, and

wheresoever situate, including the property more particularly described as follows:

(1) ALL those several parcels of land with the buildings and improvements thereon, situate in Butler County, Kansas, and described as follows:

1ST PARCEL: Beginning at the quarter section corner between Sections 13 and 24, T. 28, S. R. 3 E., thence East along the section line 900 feet, thence North 850 feet, more or less, to the intersection of the Southeast right of way line of the A. T. & S. F. Ry., thence in a Southwesterly direction along said right of way line to the intersection with the North and South center line of Sec. 13, thence South along said center line to the place of beginning, being all in Sec. 13, T. 28, S. R. 3 E., containing 9.47 acres more or less; reserving the mineral rights.

2ND PARCEL: NE $\frac{1}{4}$ of Sec. 17, T. 26, S. R. 5 E.

3RD PARCEL: SW $\frac{1}{4}$ of Sec. 2, T. 28, S. R. 4 E.

4TH PARCEL: An undivided one-half interest in the SW $\frac{1}{4}$ of Sec. 28, T. 25, S. R. 5 E.

5TH PARCEL: Beginning at a point 1081.3 feet West and 20 feet South of the Northeast corner of Sec. 6, T. 26, R. 4 E., which point is marked by a 2 inch pipe, thence South 208.7 feet, thence West 208.7 feet to the West bank of Whitewater River, thence North 208.7 feet, thence 3 feet South of the West abutment of the highway bridge of Whitewater River, thence East 208.7 feet to the place of beginning, containing 1 acre more or less.

6TH PARCEL: Beginning at the Northeast corner of the 5th Parcel above described, which corner is located 1081.3 feet West and 20 feet South of the Northeast

corner of Sec. 6, T. 26, R. 4, thence due East 335 feet to the center line of Whitewater Creek, thence in a Southwesterly direction along the center of said creek to the center of Whitewater River, thence North along the center of said river 189 feet to the South boundary line of said 5th Parcel, thence due East along the South line of said parcel 142 feet to the Southeast corner of said parcel, thence due North 208.7 feet to the place of beginning, containing 2.62 acres more or less.

7TH PARCEL: Lot 5 on Settler Street in E. L. Lowers Addition to the Town, now City, of El Dorado.

8TH PARCEL: Beginning at a 2 inch pipe located 1290 feet West and 228.7 feet South of the Northeast corner of Sec. 6, T. 26, R. 4 E, thence South no degrees 52 minutes West 324 feet, thence South 89 degrees East 374 feet, thence North 29 degrees East 620.1 feet, thence West 139.3 feet to the center line of Whitewater Creek, thence in a Southwesterly direction along the center line of said creek to a point in the center line of Whitewater River, thence North 189 feet, thence West 60.8 feet to the point of beginning, containing 2.67 acres.

9TH PARCEL: Beginning at the Southeast corner of the SE $\frac{1}{4}$ of Sec. 16, T. 26, R. 5 E., thence North 208.71 feet, thence West 208.71 feet, thence South 208.71 feet, thence East 208.71 feet to the place of beginning, containing 1 acre.

10TH PARCEL: East 40 feet of Lots numbered 7 and 8 in Block 2, except the North 10 feet thereof, in the original Town, now City, of El Dorado.

11TH PARCEL: W $\frac{1}{2}$ of NE $\frac{1}{4}$ of NW $\frac{1}{4}$ and SE $\frac{1}{4}$ of NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 16, T. 26, S. R. 5 E.; reserving the mineral rights.

Also that certain parcel of land with the improvements thereon, situate in Greenwood County, Kansas, and described as follows: SE $\frac{1}{4}$ of Sec. 14, T. 23, R. 12 E; subject to royalty reserved on oil and gas, also to existing mortgages and right of repurchase.

Also that certain parcel of land with the improvements thereon, situate in Sedgwick County, Kansas, described as follows: A tract of land 16 feet wide and 2640 feet long in the SE $\frac{1}{4}$ of Sec. 36, T. 25, R. 1 W, and 2 acres on West end of SE $\frac{1}{4}$ of Sec. 36, T. 25, R 1, W; subject to existing mortgages.

(2) ALL oil and gas leases, with the easements and rights in the lands therein described, but subject to the rents and covenants therein contained, together with all oil, wells, casings, pipes, derricks, engines, pumps, tools, wire, appliances, buildings, tanks and other personal property used in drilling for, securing, storing and marketing oil and gas, including the following leases:

IN THE STATE OF KANSAS

Leases recorded in the Allen County Register's Office in Book Misc. 25 pages 211, 218, 303 and 479;

Lease recorded in the Barber County Register's Office in Book 6 page 451;

Leases recorded in the Butler County Register's Office in Book Misc. B page 203; in Book G at page 292; in Book Misc. J. pages 626, 628, 631 and 633; in Book K. pages 114, 157 and 545; in Book Misc. K. pages 97, 104, 139, 155, 161, 162, 166, 168, 170, 172, 174, 175, 179, 181, 367, 369, 370, 374, 385, 387, 389, 392, 395, 439, 526, 528, 529, 531, 533, 537, 543 and 602; in Book L pages 264, 621; in Book Misc. L. pages 6, 43, 44, 45, 54, 55, 59, 60, 61, 68, 74, 75, 76, 77, 78, 79, 83, 84, 85, 86, 95, 96, 107, 137, 138, 139, 142, 143, 145, 146, 149, 225, 226, 231, 383, 407, 473,

and 476; in Book M. pages 36, 61, 68, 81, 104, 120 and 307; in Book Misc. M. pages 33, 89, 92, 95, 115, 118, 126, 270, 272, 276, 279, 281, 293, 327, 360, 366 and 437; in Book N. page 527; in Book Q. pages 21 and 143; in Book S. page 521; in Book Misc. T. page 493; in Book X page 331; in Book Misc. X page 373; in Book Z pages 540 and 689; in Book Misc. 2 page 141; in Book 4, page 613; in Book 27 page 22; in Book 29 page 368; in Book 30 pages 38, 92, 119, 120 and 123; in Book 35 pages 187 and 190; in Book 41 pages 347, 435, 443, 447, 451, 509, 553, 557, 559, 591 and 615; in Book 47 page 130; in Book 48 pages 14, 15, 16, 33, 38, 52, 53, 81, 84, 86, 87, 210, 259, 262 and 286; in Book 48 Misc. Page 112; in Book 49 page 34; in Book 50 page 102; in Book 51 page 281; in Book 53 pages 8, 27 and 244; in Book Misc. 53 page 246; in Book 55 page 327; in Book Misc. 55 pages 391, 394 and 396; in Book 57 pages 23, 25, 29, 170, 171, 199, 200 and 201; in Book Misc. 57 pages 26, 27, 31, 45 and 72; in Book 125 page 456; and leases affecting W $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 17, T. 25, R. 4, and Lots 9, 10, 19 and 20 of Sec. 30, T. 26, R. 8, and NE $\frac{1}{4}$ of Sec. 7, T. 25, R. 5.

Leases recorded in the Chase County Register's office in Book F pages 268; in Book G page 347; in Book Misc. G pages 253; in Book H pages 187, 214, 336 and 354; in Book I page 77; in Book OI Leases, page 444; in Book 1 Misc. pages 469, 470 and 471, and leases affecting the NE $\frac{1}{4}$ of Sec. 34 and the NW $\frac{1}{4}$ of Sec. 35, T. 22, R. 9 E., the SW $\frac{1}{4}$ of Sec. 34 and the E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Sec. 33, T. 22 R. 9 E. the N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Sec. 20 and the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Sec. 19, T. 20 S. R. 8, E. and the W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 33, T. 22, R. 9.

Leases recorded in the Chatauqua County Register's office in Book F pages 313 and 482; in Book G of O. & G. Rec. page 50; in Book J page 7; in Book L page 43; in Book N page 317; in Book Y page 189; in Book W page

255; in Book D Leases pages 426 and 67; in Book E H Leases pages 579-167; in Book H Leases pages 33, 39, 133, 150, 271, 286; in Book J Leases page 520; in Book L Leases pages 40 and 419; in Book M Leases pages 138 and 230; in Book N Leases page 229; in Book O Leases pages 102, 209 and 257; and in Book 1 Leases page 11 and leases affecting half interest in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and S $\frac{1}{2}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 17; S $\frac{1}{2}$ of SE $\frac{1}{4}$ Sec. 17; SE $\frac{1}{4}$ SW $\frac{1}{4}$ Lot 1 Sec. 18; SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 17, T. 35, R. 11.

Leases recorded in the Coffey County Register's office in Book 1 page 508 and in Book 1-L pages 506, 507, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524 and 541.

Leases recorded in the Cowley County Register's office in Book 1 of Leases pages 25, 40, 43 and 203; in Book 2 of Leases page 285; in Book 4 of Leases page 43; in Book 13 of Leases page 85; in Book 15 page 26; in Book 18 pages 416, 426, 429, 430, 432 and 433; in Book 22 page 231; in Book K page 221; in Book O page 235; in Book K of Jrs. page 604 and in Book O of Jrs. page 352.

Leases recorded in the Elk County Register's office in Book E page 22; in Book G pages 162 and 431; in Book H pages 203, 205, 206, 207, 219, 220, 221, 223, 238 and 334; in Book Misc. 40 page 633; in Book 52 page 263; in Book 52 Deeds pages 311, 315, 323 and 332; in Book 53 page 364; in Book 53 Deeds page 375.

Leases recorded in the Gove County Register's office in Book 1 Misc. pages 101, 275, 289, 299, 305, 307 and 313.

Leases recorded in the Greenwood County Register's office in Book 1 of O. & G. Leases pages 4, 10, 12, 24 and 27; in Book 1 pages 9, 19, 22, 23, 25 and 28; in Book 2 page 559; in Book 3 pages 391, 392, 394 and 438;

in Book 6 pages 182, 185 and 252; in Book 7 pages 78, 129, 130, 147, 154, 252, 261, 282, 299, 300, 351, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 490, 491, 502, 503, and 637; in Book 8 pages 3, 154, 160, 184, 185, 232, 265, 275, 276, 277, 278, 279, 324, 307, 325, 355, 356, 357, 384, 392, 393, 396, 441, 461, 502, 574, 597, 607, 622 and 634; in Book 9 pages 82, 138, 139, 140, 192, 239, 286, 287, 294, 391, 430, 431, 433, 438, 441, 454, 466, 468, 470, 475, 476, 486, 487, 488, 512, 513, 514, 553, 567, and 568; in Book 10, page 16; in Book 88, page 515; in Book 4 of Assignments page 72; in Book J Misc. pages 523 and 526; in Book N page 256; in Book N Misc. page 595; in Book P page 517; in Book S page 621; in Book T page 106; in Book T Misc. pages 114, 517 and 520; in Book U page 310; in Book U Misc. pages 175, 190, 209, 339, 344, 511, 515, 519, 523, 526, 530, 534, 538, 542, 589 and 593; in Book V Misc. pages 96, 143, 150, 207, 211 and 277; in Book W Misc. pages 157 and 161, and leases affecting the SE $\frac{1}{4}$ and SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 23, T 23, R 12; S $\frac{1}{2}$ of NE $\frac{1}{4}$ Sec. 26, T 24, R 10 E.; NW $\frac{1}{4}$ Sec. 16, T 23, R 12 E.; E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 16, T 23, R 12; W $\frac{1}{2}$ of Sec. 3, T 23, R. 12 E., excepting A. T. & S. F. right of way; NW $\frac{1}{4}$ of Sec. 34, T 22, R 12; NW $\frac{1}{4}$ of NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 28, T 23, R 12; S $\frac{1}{2}$ of SE $\frac{1}{4}$, excepting three acres out for A. T. & S. F. R. R. Co.; N $\frac{1}{2}$ of NE $\frac{1}{4}$, excepting seven acres out of NE corner of said $\frac{1}{4}$, and also three acres of R. R., Sec. 8, T 23, R 12 E.; S $\frac{1}{2}$ of NE $\frac{1}{4}$ Sec. 8 T 23 S. R 12 E., excepting three acres out for A T & S F R R Co; East $\frac{1}{2}$ of SW $\frac{1}{4}$ Sec. 21, T 23, R 12 E.; NE $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 16, T 23, R 12 E.; SE $\frac{1}{4}$ of Sec. 33, T 22, R 12, except R. R. right of way; SW $\frac{1}{4}$ Sec. 26, T 23, R 12 E.; W 60 acres of NW $\frac{1}{4}$ and W $\frac{1}{2}$ of SW $\frac{1}{4}$ Sec. 10, T 23, R 12 E.; S $\frac{1}{2}$ of SE $\frac{1}{4}$ Sec. 5 and E $\frac{1}{2}$ of NW $\frac{1}{4}$ Sec. 8 and NE $\frac{1}{4}$ of Sec. 18, T 23, R 12 E.; all of Sec. 4, T 23, R 12 E., except R. R. right of

way; E $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 28, T 22, R 12 E.; SW $\frac{1}{4}$ of Sec. 14, NE $\frac{1}{4}$ of Sec. 22, except R. R. right of way, T 22, R 12 E.; SW $\frac{1}{4}$ of Sec 22, T 22, R 12; NE $\frac{1}{4}$ Sec. 17, T 23, R 12 E. West of Railroad; E $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 9, T 23, R 12 E.; N $\frac{1}{2}$ of SE $\frac{1}{4}$ of Sec. 16, T 23, R 12; NE $\frac{1}{4}$ of Sec. 32, T 22, R 11; SW $\frac{1}{4}$ of Sec. 28, T 22, R 11; NE $\frac{1}{4}$ of Sec. 26, T 23, R 12 and the S $\frac{1}{2}$ of NE $\frac{1}{4}$ of Sec. 28, T 23, R 12; and Lot 1 and E $\frac{1}{2}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of N.E. $\frac{1}{4}$ Sec. 18 T 27, R 9.

Leases recorded in the Lyon County Register's office in Book 123 pages 559 and 598; in Book 126 pages 61, 102, 103, 120, 122, 124, 125, 131, 134, 136, 171, 258, 282, 304, 346, 347, 348, 350, 351, 352, 353, 354, 355, 356, 357, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 386, 387, 407, 408, 416, 417, 421, 432, 453, 457, 464, 473, 474, 475, 476, 477, 480, 481, 483, 484, 533, 539, 540, 541, 553, and 596; in Book 126 Misc. page 392; in Book 132 pages 123, 510, 606 and 615; in Book 134 pages 105, 199, 347, 581, 584, and 585; in Book 134 Misc. page 165 and leases affecting the N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 10, T 20, R 11.

Leases recorded in the Marion County Register's office in Book 8 Misc. page 131; in Book 13 Misc. pages 69 and 71; in Book 15 Misc. pages 175, 398, 438, 439, 543 and 547; in Book 17 Misc. page 82; in Book 18 Misc. pages 261 and 291, and leases covering undivided half interest in S $\frac{1}{2}$ of NW $\frac{1}{4}$ and N $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 12, T 21 R 4 E.

Leases recorded in the Montgomery County Register's office in Book 3 page 547.

Leases recorded in the Neosho County Register's office in Book 13 M pages 629 and 631.

Leases recorded in the Sedgwick County Register's office in Book T pages 569, 571 and 577.

Leases recorded in the Sumner County Register's office in Book Misc. A 9 page 559, and in Book W pages 230 and 487.

Leases recorded in the Wilson County Register's office in Book 27 page 339, and in Book 102 page 178.

Leases recorded in the Woodson County Register's office in Book N pages 155 and 397; in Book Misc. O page 325 and in Book P page 399.

IN THE STATE OF OKLAHOMA

Leases recorded in the Beckham County Clerk's office in Book 2, pages 295, 296, 406, 408, 409 and 547; in Book 3, pages 90 and 118; and in Book 9, page 169;

Leases recorded in the Caddo County Clerk's office in Book 15, pages 350, 352, 353, 354, 355, 366, 371, 374, 376, 377, 382, 387, 391, 427, 484, 487, 489, 490, 496 and 497; in Book 17, pages 567, 568, 570 and 571; in Book 18, pages 1, 16, 29, 34, 35, 39 and 345; in Book 19, page 326, and lease affecting S $\frac{1}{2}$ of NE $\frac{1}{4}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of NE $\frac{1}{4}$ Sec. 24, T. 6, R. 10;

Leases recorded in the Carter County Clerk's office in Book 19, page 752; in Book Misc. 32, page 545; in Book 39, page 675; in Book 40, page 11; in Book 42, pages 221 and 305; in Book 43, pages 44, 176, 177 and 524; in Book Misc. 43, page 177; in Book 49, pages 127, 173, 208, 220 and 520; in Book Misc. 49, pages 383, 386 and 416; in Book Misc. 52, page 196; in Book 53, page 321; in Book Misc. 53, page 173; in Book 61 Misc., page 247; and leases affecting half interest in S $\frac{1}{2}$ of NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of NE $\frac{1}{4}$ of Sec. 34, and S $\frac{1}{2}$ of SE $\frac{1}{4}$ of SE $\frac{1}{2}$ of Sec. 27, T2, R 3 W.;

Leases affecting the following lands in Cherokee County: W $\frac{1}{2}$ of SW $\frac{1}{4}$ of Sec. 16, T. 14, N R 21 E; E $\frac{1}{2}$ of NE $\frac{1}{4}$; E $\frac{1}{2}$ of NW $\frac{1}{4}$ of NE $\frac{1}{4}$; SW $\frac{1}{4}$ of NW $\frac{1}{4}$ of NE $\frac{1}{4}$; NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of SE $\frac{1}{4}$; and the NE $\frac{1}{4}$ of

NE $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 21, T 14, N R 21 E; and E $\frac{1}{2}$ SW $\frac{1}{4}$ and W $\frac{1}{2}$ of NW $\frac{1}{4}$ of SE $\frac{1}{4}$ of Sec. 16, and NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Sec. 21, T. 14, N R 21 E.

Lease recorded in the Cimarron County Clerk's office in Book 18, page 15;

Lease recorded in the Cleveland County Clerk's office in Book 24, page 56;

Leases recorded in the Comanche County Clerk's office in Book 157, pages 243, 379, 382, 411, 421, 422, 423, 441, 453, 454, 456, 459, 460 and 480; in Book 158, page 402; in Book 160, pages 377, 378, 382, 419, 428, 429, 430, 431, 444, 446, 447, 449, 455 and 458; in Book 163, pages 27 and 323; in Book 169, pages 10, 11, 12, 23, 37, 38, 39, 40, 41, 42, 43, 44, 45, 49, 54, 55, 56, 57, 58, 69, 70 and 361; in Book 169 M., pages 47, 48, 50, 51 and 52; in Book 170, pages 99 and 101; and leases affecting S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 13, T. 1 S. R. 11 W.; E $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 36, T. 1 N. R. 11 W. and N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 16, T. 4 N R. 10 W.;

Leases recorded in the Cotton County Clerk's office in Book 16, page 696; in Book 19, pages 655 and 659; in Book 20, pages 106, 126, 154, 216, 242, 263, 287, 288, 289, 290, 291, 292, 293, 304, 510 and 514; in Book 21, pages 576, 579, 580, 583, 586, 588, 590, 591 and 666; in Book 21 M., pages 577, 578, 584, 585, 593, 595 and 598; in Book 22, page 142; in Book 37, pages 521 and 542; in Book 40 M., pages 119, 121 and 449; and leases affecting SE $\frac{1}{4}$ Sec. 16, T. 2 S., R. 9 W.; W $\frac{1}{2}$ SW $\frac{1}{2}$ Sec. 13, T. 3 S. R. 10 W.; N $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 36, T. 3 S. R. 11 W.; W. $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 16, T. 3 S., R. 9 W.; and E $\frac{1}{2}$ of S. W. $\frac{1}{4}$ and lots 3 and 4 of Sec. 30, T. 4 S., R. 9 W.

Leases recorded in the Creek County Clerk's office in Book 158, page 67; in Book 186, page 176; in Book 221, page 241; in Book 225, pages 203, 262 and 383, and leases affecting W $\frac{1}{2}$ of S. W. $\frac{1}{4}$, Sec. 32, T. 14, R. 10.

Leases recorded in the Custer County Clerk's office in Book 1 of O. & G., page 285; in Book 2, page 137; in Book 3, pages 105 and 108; and in Book 4, pages 1, 5, 8, 10, 20 and 21;

Leases recorded in the Garfield County Clerk's office in Book 7, page 157; in Book 7 M., page 163; in Book 18, page 207, and in Book 18 M., page 204;

Leases recorded in the Garvin County Clerk's office in Book 73, pages 147, 415 and 670; in Book 77, page 94; in Book 79, page 241; in Book 92 M., pages 368 and 571; in Book 93, pages 241 and 570; in Book 93 M., page 124; in Book 98, page 616; in Book 99, pages 104 and 170; and leases affecting $W \frac{1}{2} NE \frac{1}{4} NW \frac{1}{4}$; $E \frac{1}{2} NW \frac{1}{4} NW \frac{1}{4}$; $SW \frac{1}{4} NW \frac{1}{4} NW \frac{1}{4}$; $SW \frac{1}{4} NW \frac{1}{4}$; $SW \frac{1}{4} SE \frac{1}{4} NW \frac{1}{4}$ Sec. 14, T. 2 N., R. 2 W.; and $NE \frac{1}{4} SW \frac{1}{4}$; $S \frac{1}{2} SE \frac{1}{4} NW \frac{1}{4}$ Sec. 19, T. 2 N., R. 1 E.;

Leases recorded in the Grady County Clerk's office in Book 8, page 139; in Book 138, pages 331, 342, 345, 346, 347, 353, 355, 356, 357, 358, 371, 373, 375, 403, 413, 414, 417, 419, 421, 425, 427, 428, 452, 474, 475 and 641; in Book 139, pages 246, 249, 252, 254 and 257; in Book 165, page 246; and in Book 183, pages 366, 445 and 562;

Leases recorded in the Grant County Clerk's office in Book 12, page 612; in Book 13, page 371; in Book 14, pages 284, 377 and 407; in Book 15, page 82; and leases affecting $E \frac{1}{2} N.E. \frac{1}{4}$ Sec. 35, T. 28, R. 5 W. and $W \frac{1}{2} S. E. \frac{1}{4}$ Sec. 31, T. 28, R. 4 W.

Lease recorded in the Greer County Clerk's office in Book 9, page 572;

Leases recorded in the Hughes County Clerk's office in Book 22, pages 486, 544, 545 and 547; in Book 24, page 429; in Book 28, page 439; in Book 32 M., page 506; in Book 34 M., page 58; and leases affecting $E \frac{1}{2} SW \frac{1}{4}$ Sec. 22, T. 7, R. 8; $E \frac{1}{2} NW \frac{1}{4}$ Sec. 11, T. 7, R. 9; $S \frac{1}{2} SE \frac{1}{4}$ Sec. 29, T. 7, R. 10; $W \frac{1}{2} SW \frac{1}{4}$ of Sec. 36,

T. 7, N R 8 E; and SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 31, T. 7, N. R. 8 E, and NE $\frac{1}{4}$ of SE $\frac{1}{4}$ Sec. 36, T. 7, N. R. 8 E.

Leases recorded in the Jefferson County Clerk's office in Book 61, pages 675 and 677; in Book 63, page 62; in Book 67 Misc., pages 576, 613 and 615; in Book 68, pages 20, 64, 87, 97, 314, 491 and 509; in Book 68 Leases, page 588; in Book 68 Form, Page 30; in Book 72 M., page 25; in Book 75 M., pages 487, 490 and 492; in Book 78, pages 364, 516, 552 and 631; in Book 82, pages 269, 587 and 589; in Book 82 M., pages 360 and 533; in Book 89, pages 135, 136, 137 and 169; in Book 94, page 234; in Book 101, pages 187, 190 and 193; and leases affecting W $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 26, T. 3 S., R. 7 W.; NE $\frac{1}{4}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 25, T. 3 S. R. 7 W.; W $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$; NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 25, T. 3 S., R. 7 W.; N $\frac{1}{2}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 25, T. 3 S., R. 7 W. and NW $\frac{1}{4}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 35, T. 3 S., R. 7 W.; and W $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 24, T. 3 S., R. 9 W.;

Leases recorded in the records of Kay County Clerk's office in Book 8 Misc., pages 670 and 672; in Book 9 M., pages 155, 158 and 335; in Book 10 M., pages 226, 457 and 458; in Book 11 M., pages 337, 349 and 359; in Book 12, pages 147, 179 and 202; in Book 12 M., page 198; in Book 16 M., page 672; in Book 28, page 108; in Book 35, page 18; in Book 37; page 100; in Book 38, pages 418, 419, 455, 458 and 511; in Book 39, pages 277 and 521; in Book 42, pages 37 and 38; in Book 43, pages 400 and 552; in Book 50, page 36; and lease affecting SW $\frac{1}{4}$, Sec. 29, T. 29, R. 1;

Leases recorded in the records of Kiowa County Clerk's office in Book 124, pages 191 and 325 and in Book 126, page 212;

Leases recorded in the Lincoln County Clerk's office in Book 30, page 48;

Leases recorded in the Logan County Clerk's office in Book 13, pages 312, 313, 314, 321, 329, 399, 489, 490 and 491;

Leases recorded in the Love County Clerk's office in Book 22, pages 585, 587, 590, 592, 594, 596 and 598; in Book 23, pages 10 and 609; in Book 24, pages 109, 139, 140, 141, 142, 145, 146, 147, 148, 149, 150, 152, 156, 159, 160, 164, 165, 185, 209, 239, 266, 267, 274, 283, 454 and 587; in Book 25, pages 104, 263, 266, 269, 272, 439 and 442; in Book 26, page 333; in Book 27, pages 101, 102, 207, 276, 283, and 515; in Book 28, pages 454, 457, 460, 462, 465 and 524; in Book 31, page 335; in Book 32, pages 95, 99, 379 and 447 and lease affecting N. $\frac{1}{2}$ N. W. $\frac{1}{4}$ of Sec. 23, T. 7 S. R. 2 W.

Leases recorded in the McIntosh County Clerk's office in Book 31 M., page 145; in Book 33 M., pages 97 and 355; in Book 34, page 212; in Book 34 M., page 589; in Book 35, page 407 and in Book M-189, pages 6 and 7;

Leases recorded in the Murray County Clerk's office in Book 26, page 130; in Book 32, pages 107, 352, 354 and 406; in Book 34, page 606, and lease affecting SE $\frac{1}{4}$ SE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 1 T. 1N. R. 1 E.;

Lease recorded in the Muskogee County Clerk's office in Book 354, page 249; and leases affecting SW $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$; SW $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 2; E $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 11, T. 13 N. 20 E.; and SW $\frac{1}{4}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 2; SW $\frac{1}{4}$ N W $\frac{1}{4}$ N W $\frac{1}{4}$; SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$; N $\frac{1}{2}$ SE $\frac{1}{4}$ of Sec. 10; NW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$; W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$; S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$; E 1-2

SW $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Sec. 13-20; SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 36, T. 14, R. 20.

Leases recorded in the Noble County Clerk's office in Book Misc. 16, pages 3, 4, 5, 116 and 285;

Lease recorded in the Oklahoma County Clerk's office in Book 1, page 370;

Leases recorded in the Okmulgee County Clerk's office in Book M. 81, page 509; and in Book M. 189, page 75;

Leases recorded in the Okfuskee County Clerk's office in Book 36, page 615; in Book B 36, pages 223 and 467; in Book 39, page 229; in Book 41, page 225; in Book B-41, pages 1 and 530; in Book 46, page 203; in Book B-46, pages 109, 292, 523, 620, and 634; in Book B-47, page 123; in Book 48, page 542; in Book 49, pages 257 and 266; in Book B-49, page 150; in Book B-50, pages 5, 207, 208, 231, 232, 233, 234 and 235; in Book B58, pages 52, 77 and 86, and leases affecting SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 33, T. 10, R. 12 and N $\frac{1}{2}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 11, T. 10, R. 9;

Lease recorded in the Pawnee County Clerk's office in Book 30 Misc., page 464;

Leases recorded in the Payne County Clerk's office in Book 11LR, page 499; in Book 12LR, pages 82, 87 and 562; in Book 13LR, pages 17, 586 and 630; in Book 14LR, pages 201, 224, 395 and 396; and leases affecting half interest E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 27, T. 18, R. 6; half interest N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 26, T. 18, R. 6; and NE $\frac{1}{4}$ Sec. 30, T. 18, N R. 6 E;

Leases recorded in the Pontotoc County Clerk's office in Book 43, pages 42 and 501; in Book 50, pages 494 and 497; in Book 51, pages 127 and 172, and in Book 52, page 141;

Leases recorded in the Roger Mills County Clerk's office in Book 5 O. L., page 392;

Leases recorded in the Seminole County Clerk's office in Book 66, page 409; in Book 67, page 316; in Book 92, page 21; in Book 101, page 446, and leases affecting NE $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18, T. 6, N. R. 7 E.; SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 31, T. 7 N, R. 8 E.; NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 36, T. 7 N. R. 7 E.; E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 10, T. 10, R. 6; N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 5, T. 10, R. 6; E $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 2, T. 10, R. 5; NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 23, T. 10, R. 7, and W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 25, T. 9, R. 6;

Leases recorded in the Stephens County Clerk's office in Book 29, pages 113, 123 and 126; in Book 39, page 148; in Book 41, page 86; in Book 48, pages 333 and 345; in Book 48 Leases, pages 346 and 365; in Book 58, pages 375, 522, 523, and 542; in Book 70, pages 614, 657, 658, 659, 660, 661, 662, 663, 665 and 666; in Book 73, page 577; in Book 79, pages 143, 512, 569, 570, 612, and 635; in Book 82, pages 135, 137, 337, 364, 378 and 569; in Book 87, pages 98, 100, 103, 210 and 213; in Book 89, pages 624 and 628; in Book 93, page 453; in Book 96, page 342; in Book 97, pages 155 and G-4216; in Book 98, pages 18, 64, 106 and 140; in Book 102, pages 33 and 521; in Book 110, pages 244, 277, 488, 491, 530, 569 and 632; in Book 111, page 512; in Book 113, page 237; in Book 116, pages 297, 301, 304, 306, 345, 351, 353, 359, 626 and 650; in Book 117, page 448; in Book 119, pages 283 and 406; in Book 123, pages 342, 343 and 344; in Book 124, pages 97, 163, 165, 247, 249 and 543; in Book 128, pages 188 and 347; in Book 134, pages 362, 365, 367, 369, 425, 427 and 518, and leases affecting N $\frac{1}{2}$ NW $\frac{1}{4}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 14, T. 3 S, R. 5 W; E $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ and NE $\frac{1}{4}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 15, T. 3, R. 5; S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$; E $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 15, T. 3, R. 5; SW $\frac{1}{4}$ SW $\frac{1}{4}$ and NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 13, T. 1

N. R. 9 W.; S $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 2, T. 1, S. R. 7 W.; S $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 14, T. 1 S. R. 7 W.; N $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 19, T. 1 S. R. 7 W.; Lot 17 and E. 20.51 acres of Lot 20, Sec. 13, T. 1 N. R. 8 W.; N $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 14, T. 2 S. R. 9; NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 8, T. 1 N. R. 4, and NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 8, T. 1 N. R. 4;

Leases recorded in the Tillman County Clerk's office in Book 70, pages 105, 107, 109, 113, 119, 121, 123, 127, 129, 133, 135 and 141; in Book 71, pages 511 and 525; in Book 72, pages 795 and 807; in Book 73, pages 417 and 655; in Book 74 of 427, page 215; and in Book 82, pages 375 and 379;

Lease recorded in the Tulsa County Clerk's office in Book 318, page 351;

Leases recorded in the Washington County Clerk's office in Book 10 Leases, page 67 and in Book 29, page 201;

Leases recorded in the Washita County Clerk's office in Book 72, pages 36, 221, 267 and 281; in Book 76, pages 258 and 688; in Book 90, pages 602, 605, 645, 647, 650 and 652, and in Book 94, pages 52 and 54.

(3) ALL that certain water supply system known as the Bois d'Arc, located in the County of Butler, State of Kansas, including dams, pumping stations, buildings, dwellings, pumps, tanks, wells, reservoirs, boilers, generators, heaters, regulators, pipelines, tools, appliances, and other personal property used in the operation of said system, said Pipeline being described as follows: Commencing at the Bois d'Arc water pump station in the SE $\frac{1}{4}$ Sec. 19, T. 28, S. R. 5 E. a 6 inch water pipeline running in a Northwesterly direction to the center of the South line of Sec. 18 T. 28, S. R. 5 E., thence West along the South lines of Secs. 18 and 19 to the center of the South line of the SW $\frac{1}{4}$ of Sec. 13, T. 28, S. R. 4 E., thence in a Northwesterly direction to a 1600 bbl.

wood water tank in the N. W. $\frac{1}{4}$ of Sec. 14, T. 28, S. R. 4 E., a distance of 16,219 feet, thence a 4 inch line North and West to the junction of the field lateral lines in the NE $\frac{1}{4}$ Sec. 10, T. 28, S. R. 4 E., a length of 5960 feet; also a 3 inch gas pipeline commencing at said Bois d'Arc water pump station and running in a Northwesterly direction to the center of the South line of Sec. 18, T. 28, S. R. 5 E.; thence West along the South lines of Secs. 18 and 19 to the center of the South line of SW $\frac{1}{4}$ Sec. 13, T. 28, S. R. 4 E., thence in a Northwesterly direction through Secs. 13, 14 and 11, T. 28, S. R. 4 E. to a point of junction with the Augusta Field Gas lines near the center of the East line of the SW $\frac{1}{4}$ of Sec. 11, T. 28, S. R. 4 E., a total length of 18,117 feet of pipe.

ALSO a certain water supply system known as Valley Center—Whitewater—Eldorado, located in Sedgwick and Butler Counties, Kansas, including pumping stations, pumps, tanks, wells, reservoirs, boilers, generators, heaters, regulators pipelines, tools, appliances and other personal property used in the operation of said system, said Pipeline being described as follows: Beginning at the Valley Center Pump Station in the SW $\frac{1}{4}$ Sec. 36, T. 25, S. R. 1 W., thence South and East 2975 feet to a point on the North line of Sec. 6, T. 26, S. R. 1 E., where the size of the line changes from 8 inches to 12- $\frac{3}{4}$ inches; thence East along the North line of Secs. 6, 5, 4, 3, 2 and 1, T. 26, S. R. 1 E., Secs. 6, 5, 4, 3, 2 and 1, T. 26, S. R. 2 E., Secs. 6, 5, 4, 3, 2 and 1, T. 26, S. R. 3 E., and Sec. 6, T. 26, S. R. 4 E. to the Whitewater Pump Station in the NE $\frac{1}{4}$ of said last section 6, thence East along the North lines of Secs. 6, 5, 4, 3, 2 and 1, T. 26, S. R. 4 E., and Sec. 6, T. 26, S. R. 5 E. to the end near the Northeast corner of said last Section 6, a length of 130,092 feet of 12 inch pipe.

(4) The following shares of the capital stock of the following companies:

105,731 shares of the capital stock of Empire Natural Gas Company, a Delaware corporation, out of an authorized issue of 120,000 shares of which there are outstanding 105,740 shares.

24,995 shares of the capital stock of Fifty-nine Osage Oil Company, a Wisconsin corporation, out of a total authorized and outstanding issue of 25,000 shares.

4,995 shares of the capital stock of Midland Oil Company, a Delaware corporation, out of a total authorized and outstanding issue of 5000 shares.

1,775 shares of the capital stock of the Steyner Oil Company, a Kansas corporation, out of an authorized issue of 2200 shares, of which there are outstanding 1780 shares.

272 shares of the capital stock of Keesage Oil Company, a corporation, out of an authorized issue of 1200 shares of which there are outstanding 400 shares.

2,397 shares of the capital stock of Consumers Gas Company, an Oklahoma corporation, out of an authorized issue of 12,000 shares of which there are outstanding 2,400 shares.

2,110,915 $\frac{1}{3}$ shares of the capital stock of Indian Territory Illuminating Oil Company, a New Jersey corporation, out of an authorized issue of 3,500,000 shares, of which 3,307,766 shares are outstanding.

SUBJECT, so far as it affects the properties above described, to the lien of a certain mortgage or deed of trust made by Empire Gas and Fuel Company to Bankers Trust Company, as Trustee, dated May 1, 1916, under which there are outstanding \$6,550,000 principal amount of bonds.

All of the shares of capital stock above mentioned have been heretofore pledged with Bankers Trust Com-

pany, as Trustee under said mortgage or deed of trust dated May 1, 1916, and the certificates for said shares of capital stock have been delivered to said Bankers Trust Company as such Trustee. Empire Gas and Fuel Company covenants that upon the satisfaction of said mortgage or deed of trust dated May 1, 1916, it will cause all of the certificates of stock aforesaid then held by said Trustee to be transferred and delivered to the Trustee under this Indenture, and it hereby directs the Trustee under said mortgage or deed of trust dated May 1, 1916, to make such transfer and it will execute and deliver to the Trustee hereunder such powers of attorney or other instruments as the Trustee hereunder may reasonably require in order to make the pledge of said stocks fully effective.

(5) The following shares of the capital stock of the following companies:

119,642 shares of the capital stock of the Kansas Natural Gas Company, a Delaware corporation, out of a total authorized and outstanding issue of 120,000 shares.

9,991 shares of the capital stock of the Empire Gas and Fuel Company, a Maine corporation, out of a total authorized and outstanding issue of 10,000 shares.

99,991 shares of the capital stock of Empire Refining Company, a Delaware corporation, out of a total authorized and outstanding issue of 100,000 shares.

39 shares of the capital stock of the Empire Gas and Pipeline Company, a Maine corporation, out of a total authorized and outstanding issue of 50 shares.

19,991 shares of the capital stock of Empire Gasoline Company, a Delaware corporation, out of a total authorized and outstanding issue of 20,000 shares.

19,993 shares of the capital stock of Empire Petroleum Company, a Delaware corporation, out of a total authorized and outstanding issue of 20,000 shares.

And the EMPIRE REFINING COMPANY, one of the parties of the second part in consideration of the premises and to secure the payment of the principal and interest of the said Bonds to be issued as herein provided, and the performance by the parties of the first and second parts of the covenants and agreements contained in said bonds and in this indenture, does hereby grant, bargain, sell, convey, assign, mortgage, pledge, transfer, set over and confirm unto THE EQUITABLE TRUST COMPANY OF NEW YORK, the party hereto of the third part, as Trustee, and to its successors and assigns forever, in trust as herein provided, ALL and singular the real and personal property of Empire Refining Company now owned or hereafter acquired, including the property more particularly described as follows:

(1) ALL those several parcels of land situate at Ponca City, in the County of Kay, State of Oklahoma, on which is located the so-called Ponca City Refinery, and described as follows:

Blocks 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 16 and 17 in Phillips Subdivision, Northwest Quarter Section 34, Township 26 North, Range 2 East.

All that portion of the Northeast Quarter of Section 33, Township 26 North, Range 2 East, lying East of the right of way of the Atchison, Topeka & Santa Fe Railway, containing 8 acres more or less.

(2) All those parcels of land situate at Cushing, in the County of Payne, State of Oklahoma, on which is located the so-called Peerless and Cushing Refineries, and described as follows:

ALL that portion of the Northeast Quarter of Section 33, Township 18 North, Range 5 East, lying West of the right of way of the Atchison, Topeka & Santa Fe

Railway, formerly the Eastern Oklahoma Railway, containing 43 acres more or less.

A parcel of land described as follows: Commencing at the Southeast corner of the Southeast Quarter of the Northwest Quarter of Section 33, Township 18 North, Range 5 East, thence North along the East line of said quarter section a distance of 1320 feet to the Northeast corner of the Southeast quarter of the Northwest quarter, thence West along the North line of said Quarter section a distance of 529.8 feet to the point of beginning, said point being in the Atchison, Topeka & Santa Fe Railway Company's West right of way line, thence West 771.2 feet to the center of the Northwest quarter of said Section 33, thence South along the West line of the said Southeast Quarter of the Northwest Quarter a distance of 1301.3 feet to a point 16.5 feet North of the Southwest corner of said Southeast Quarter of the Northwest Quarter, thence East and parallel to the South line of said Quarter Section a distance of 724.75 feet to a point in the West right of way line of the Atchison, Topeka & Santa Fe Railway, thence in a Northeasterly direction parallel to and 50 feet distant from the center line of said railway a distance of 1303.8 feet to the point of beginning, containing 22.36 acres more or less.

A parcel of land described as follows: Commencing at the Southeast corner of the Southeast Quarter of the Northwest Quarter of Section 33, Township 18 North, Range 5 East, thence North along the East line a distance of 16.5 feet to the point of beginning; thence West and parallel to the South line of said quarter section a distance of 479 feet to a point in the east right of way line of the Atchison, Topeka & Santa Fe Railway Company's right of way, thence North along the said right of way line and 50 feet distant from the center line of said railway company's tract, a distance of 470.6 feet to a point,

thence in a South and Easterly direction parallel to and 50 feet distant from the center line of the Atchison, Topeka & Santa Fe Railway Company's Y track to the East line of said quarter section, thence South along the east line 152 feet to the point of beginning, containing 2.70 acres more or less.

A parcel of land being part of the Southwest Quarter of the Northwest Quarter of Section 33, Township 18 North, Range 5 East, lying North and East on the North and East right-of-way of the Atchison, Topeka & Santa Fe Railway Company, containing two acres, and described as follows: Commencing at a point which is the intersection of the North right-of-way line of said Railway and East line of said quarter section, thence North and along the East line of said quarter section 306.6 feet, thence West and parallel with the South line of said quarter section, 403 feet, more or less, to the North and East right-of-way of said Railroad, thence in a Southerly and Southeasterly direction along said right-ofway of said Railroad to the point of beginning.

(3) All those several parcels of land situate at Okmulgee, in the County of Okmulgee and State of Oklahoma, on which is located the so-called American Refinery and described as follows:

A parcel of land described as follows: BEGINNING at the Southwest corner of the Northeast Quarter of the Southeast Quarter of Section 6, Township 13 North, Range 13 East; thence East 542.7 feet to the West line of the right-of-way of the St. Louis & San Francisco Railway Company; thence North 14 degrees 45 minutes West along the West line of said right-of-way 1,146.4 feet; thence West 264 feet; thence South 1,112.3 feet to the place of beginning according to survey made on February 16, 1912, by T. J. Embree, County Surveyor.

A parcel of land described as follows: BEGINNING at the Northwest corner of the Northeast Quarter of the Southeast Quarter of Section 6, Township 13 North, Range 13 East thence South 213 feet; thence East 264 feet to the right of way of the St. Louis & San Francisco Railroad Company; thence North 14 degrees 45 minutes West along the West line of said right-of-way to the North line of the Northeast Quarter of Southeast Quarter of said Section 6, to a point thereon 208.5 feet East of said Northwest corner of Northeast Quarter of Southeast Quarter of said Section 6; thence West 208.5 feet to the place of beginning, according to survey made on February 16, 1912, by J. T. Embree, County Surveyor;

Said two parcels of land above described being and including all that part of the Northeast Quarter of the Southeast Quarter of Section 6, Township 13 North, Range 13 East, lying on the West side of the right-of-way of the St. Louis and San Francisco Railroad Company.

All that portion of Walnut Grove Addition to Okmulgee, situate East of Okmulgee Creek, being the Northeast and Southeast corners of said Addition.

All that parcel of land lying East of Delaware Avenue and West of the Easterly bank of Okmulgee Creek in Walnut Grove Addition to Okmulgee, described as follows:

BEGINNING at a point on the Easterly bank of said Okmulgee Creek fifty (50) feet Westerly from the Southeast corner of the Northwest Quarter of the Southeast Quarter of Section 6, Township 13 North, Range 13 East, thence in a Northerly direction on and along the Easterly bank of said Okmulgee Creek to a point of intersection with a line extending from, on and along the Easterly line of Delaware Avenue in said Walnut Grove Addition to said City of Okmulgee; thence Southerly on and along said extended line of said Delaware Avenue to the point

of intersection of said line with the South line of said Northwest Quarter of the Southeast Quarter in Section Six (6); thence Easterly seventy (70) feet along said line to the point of beginning.

A parcel of land being all that part of the Southeast Quarter of the Northeast Quarter of Section 6, Township 13 North, Range 13 East, which lies South and West of the right-of-way of the St. Louis & San Francisco R. R. Co., being about three (3) acres.

A parcel of land described as follows: BEGINNING at the Southeast corner of the Southwest Quarter of the Northeast Quarter of Section 6, Township 13, North of Range 13 East, thence North about $50\frac{1}{4}$ rods along the East line of said land to the intersection of said line with the West line of the right-of-way of the St. Louis & San Francisco Railroad; thence along the said West line of said right-of-way in a Northwesterly direction about 6-3.4 rods to the South line of the right-of-way of the Ozark and Cherokee Central Railroad, thence in a Southwesterly direction along the said South line of said right-of-way about 13-3.4 rods to the center of Okmulgee Creek, thence South along the line of the center of said Okmulgee Creek about Fifty (50) rods to the South line of the said Southwest Quarter of said Northeast Quarter, thence East along the said South line about 13-3.4 rods to the point of beginning, containing about $4\frac{1}{2}$ acres.

A parcel of land, being the South $\frac{1}{2}$ of the Southwest Quarter of the Northeast Quarter of Section 5, Township 13 North, Range 13 East, containing 20 acres more or less.

Lots 1 to 12, inclusive, in Block 4, and Lots 1 to 12, inclusive, in Block 5, and Lots 1 to 6, inclusive, in Block 8, all in Walnut Grove Addition to the City of Okmulgee.

(4) ALL those several parcels of land situate at Oklahoma City, in the County of Oklahoma and State of

Oklahoma, on which is located the so-called Oklahoma City Refinery, and described as follows:

A parcel of land situate in the fractional NW $\frac{1}{4}$ of Sec. 3, Twp. 11 North, Range 3 West, described as follows: BEGINNING at the Southeast corner of the Station Grounds of the Missouri, Kansas & Texas Ry. which point is the point of beginning, thence West with the South line of said Station Grounds to an intersection with a line Ten (10) feet distant from and parallel with the center line of said Railway Company's spur track to the property of the Oklahoma Cotton Compress Co., thence Southwesterly with said track to the Northwest corner of a tract of land conveyed to the Oklahoma Refining Co. by deed dated June 6, 1906, and recorded on page 237 of Book 63 of the records of Oklahoma County; thence East with the North line of said tract to the Northeast corner thereof, thence South with the East line of said tract to the Southeast corner thereof; thence East parallel with the South line of the Station Grounds described above to the intersection of the East boundary of the right of way of the Oklahoma City Junction Railway Company; thence South along the Eastern boundary of said right-of-way in a Southerly direction to the Northwest corner of the T. J. Odell tract; thence East along the Northern boundary of said Odell tract to the center of the North Fork of the Canadian River; thence down and along the center of said River in a Northeasterly direction to a point due South of the point of beginning; thence to the point of beginning, containing four (4) acres more or less; except the right-of-way belonging to the St. Louis & San Francisco Ry. Co. and the Oklahoma City Junction Ry. Co., which rights of way run contiguous and parallel to each other in a Northerly and Southerly direction across said tract, and except that part which belongs to the Oklahoma Refining Company and Kee R. McKee,

A parcel of land, being part of the fractional NW $\frac{1}{4}$ of Section 3, Township 11 North, Range 3 West, described as follows: BEGINNING at the Southwest corner of the property deeded to the Oklahoma Refining Company by deed recorded in Book 63 page 237 of the records of Deeds of Oklahoma County; thence Easterly 202.2 feet with the South line of the above described real estate and said South line produced Easterly to a point 50 feet East of the Southeast corner of said property, thence Southerly 530.5 feet parallel to the main line of the A. T. & S. F. Ry. to an intersection with the Northeasterly right-of-way of the West side Industry track of the St. Louis & San Francisco Ry. Right-of-way; thence Northwesterly 563.7 feet to the place of beginning: excepting therefrom a strip of land 20 feet wide extending across the above tract in a Southwesterly direction, to be used for railroad tracks and no other purposes, and also excepting therefrom a portion thereof described as follows: BEGINNING at a point in the East line of the tract of land conveyed to A. Goldberg by deed recorded in Book 107 of Deeds, page 485, in the Register of Deeds Office of Oklahoma County, from said point being 279.2 feet South of the Northeast corner of said tract; thence in a Northwesterly direction on a curve of 789.9 feet radius to the left of a point in the Westerly line of said Goldberg tract above described, said point being 203.7 feet Southeasterly from the N. W. corner of the said Goldberg tract measured along the Southwesterly line of said tract; thence continuing in a Southeasterly direction with the Western line of said Goldberg tract, a distance of 91.2 feet, thence in a Southeasterly direction parallel with and 50 feet distant at right angles Southwesterly from the above described curve, to a point in the East line of said Goldberg tract, said point being 75 feet South of the point of beginning, thence North with

the East line of said Goldberg tract 50 feet to the point of beginning, containing 15/100 acres more or less.

ALL that part of the Fractional Northwest Quarter of Section 3, in Township 11 North of Range 3 West described as follows: BEGINNING at a point in the South line of Washington Avenue as extended East across said quarter section where said line crosses the East line of the Missouri, Kansas & Texas R. R. Co. right-of-way of its spur track to the Cotton Co. and Oil Mill; running thence along said line of said right-of-way in a Southwesterly direction to its intersection with the East line of the right-of-way of the St. Louis & San Francisco R. R. Spur track; thence in a Southeasterly direction along said line of the last named right-of-way to a point where it intersects with the North line of Noble Avenue if extended East across said quarter section; thence East along the line of said Avenue 145 feet; thence North a distance of about 340 feet to a point in the South line of Washington Avenue, which is 110 feet East of the point of beginning; thence West along the line of Washington Avenue to the point of beginning; said tract containing 2 acres more or less.

A parcel of land situate in the fractional Northwest Quarter of Section 3, Township 11 North Range 3 West, described as follows: Commencing at the point of intersection of the South line of the Missouri, Kansas & Texas Railway Co.'s station grounds and a line parallel with and $12\frac{1}{2}$ feet distant Northwesterly from the center line of the main oil mill spur track of the Missouri, Kansas & Texas Ry. Co. which point is the point of beginning of the parcel of land to be described; thence West along the South line of the Missouri, Kansas & Texas Ry. Co.'s Station Grounds a distance of $254\frac{1}{2}$ feet; thence South at right angles 189.3 feet to the intersection with a line $12\frac{1}{2}$ feet distant Northerly from and parallel with the

center line of the right of way of the Missouri, Kansas & Texas Ry. Co.'s Lincoln Avenue tracks; thence Easterly and Northeasterly parallel with the center line of the right-of-way of said Lincoln Avenue tracks to an intersection with a line $12\frac{1}{2}$ feet distant Northwesterly from and parallel with the center line of the main Oil Mill Spur track of the Missouri, Kansas & Texas Ry. Co.; thence Northeasterly and parallel with the center line of the Oil Mill spur track to the point of beginning.

A parcel of land situate in the fractional NW $\frac{1}{4}$ of Section 3, Township 11 North, Range 3 West, described as follows: Commencing at the point of intersection of the South line of the Missouri, Kansas & Texas Ry. Co.'s Station Grounds, and a line parallel with and 12.5 feet distant Northwesterly from the center line of the main oil mill spur track of the Missouri, Kansas & Texas Ry.; thence West along the South line of said Station Grounds 254.5 feet; thence South 60 feet to a point, which point is the point of beginning; thence South at right angles with the South line of said Station Grounds 129.3 feet to an intersection with a line 12.5 feet distant Northerly from and parallel with the center line of the right-of-way of the Missouri, Kansas & Texas Ry. Lincoln Avenue tracks; thence Westerly parallel with said center line to the Southeast corner of Lot 30 Washington Addition to Oklahoma City; thence North with the East line of said Lot 30 to the Northwest corner of said lot; thence East with the South line of Washington Avenue to the point of beginning; together with a perpetual right of way for the purpose of egress and ingress to the South 30 feet of Washington Avenue adjoining the above described property on the North, being 251 and a fraction feet East and West.

ALL that part or portion of the Northwest Quarter of Section 3, Township 11 North, Range 3 West, described

as follows: BEGINNING at the point of intersection of the South line of Noble Avenue if produced East to the Easterly right-of-way line of the Oklahoma City Junction Ry.; thence South with said right-of-way line to a point in the North line of Pottawatomie Avenue produced East from amended plat of McCornack's Factory Addition; thence East 200 feet on the North line of Pottawatomie Avenue produced East; thence Southeasterly 192 feet on a line parallel with the said Oklahoma City Junction Ry.; thence Easterly parallel with the North line of Pottawatomie Avenue produced East to the center of the North Canadian River; thence Northwesterly along the center of the North Canadian River to a point in the South line of Noble Avenue produced East; thence West-erly along the South line of said Noble Avenue to the point of beginning.

Also all those certain other lots or parcels of land together with the improvements thereon situate in Oklahoma City in said County of Oklahoma and described as follows:

Lots 27 and 28 in Block 2 Miller's Industrial Addition to Oklahoma City.

All of Lot lettered A, and the East 12.78 feet of Lot 1, in Block numbered 11 in Classen's West Highland Park Addition to Oklahoma City, as shown by the recorded plat thereof, being more particularly described as follows: Commencing at a point 12.78 feet West of the Southeast corner of Lot 1 in said Block 11; thence North 115.74 feet to the Southerly line of Classen Boulevard; thence Southeasterly along the Southerly line along said Classen Boulevard 162.72 feet to the Southeast corner of said

Lot A; thence West along the North line of Thirteenth Street 114.78 feet, to the point of beginning.

(5) Lot 1, in Block 20, Askew Addition to the City of Chickasha, in the County of Grady, State of Oklahoma.

(6) Lot 6, in Block 61, in Edwards & Beach Addition to the Town of El Dorado, in the County of Jackson, State of Oklahoma.

(7) Lot 1, in Block 41, in the Town of Wilson, County of Carter, State of Oklahoma.

(8) Lot 1, Block 71, in the Town of Snyder, County of Kiowa, State of Oklahoma.

(9) All those several parcels of land situate at Independence in the County of Montgomery and State of Kansas, on which is located the so-called Independence Refinery, and described as follows:

One square acre out of the SE corner of the NW $\frac{1}{4}$ of Sec. 6, T. 33, R. 16.

The SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 6, T. 33, R. 16, excepting therefrom a tract described as follows: Commencing at a point 32 rods E of the NW corner of said SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ and running thence S. 563.4 feet, thence E. 60 feet, thence N. 563.4 feet to the North line of said 40 acres, thence W. 60 feet to place of beginning, said tract so excepted being used and occupied by the Union Traction Co. as a railway right of way.

NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 6, T. 33, R. 16 E., E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 6, T. 33 S. R. 16 E., except beginning at the NW corner of the said E $\frac{1}{2}$ of the SW $\frac{1}{4}$ and running thence E. 20 rods, thence S. to the South line of said Sec. 6, thence W. 20 rods, thence N. to the place of beginning; also except a tract used as a roadway 7 feet

wide commencing at a point 20 rods E. of the NW corner of said E $\frac{1}{2}$ of the SW $\frac{1}{4}$ and running thence S. 160 rods, thence E. 7 feet, thence N. 160 rods, thence W. 7 feet;

The W $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Sec. 6, excepting therefrom a tract described as follows: Beginning at a point 198 feet S. of the NE corner of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 6, and running thence S. to the S. line of said Sec. 6, thence W. to the E. line of the W $\frac{1}{2}$ of the said SW $\frac{1}{4}$ of the SE $\frac{1}{4}$, thence N. to a point 198 feet S. of the N. line of said SW $\frac{1}{4}$ of the SE $\frac{1}{4}$, thence E. 40 rods to the place of beginning

A strip of land 50 feet wide South of right of way of Missouri Pacific Railway switch track running to the plant of Western States Portland Cement Co., and commencing at or near the NW corner of lot 16, in Block 16, of Southside Heights Addition to the City of Independence, Kansas, thence E. 135 feet more or less to a point on the N. end of Lot 11 in Block 16, thence meandering across and down Riverside Boulevard, and alley and over the West end of Lots 3, 6, 7, and 8 in Block 19 in said South Side Heights Addition to the S. line of Sec. 31, T. 33 S. R. 16 E., thence S. along center line of Sec. 6, T. 33, R. 16 E., 80 rods, thence E. 140 feet, thence N. meandering 25 feet E. of center of switch track to the Standard Asphalt and Rubber Company to a point 50 feet E. of the NE corner of the NW $\frac{1}{4}$ of Sec. 6; and also

Beginning at a point on the half section line 25 feet W. of the NE corner of the SE $\frac{1}{4}$ of Sec. 35, T. 33 S. R. 14 E. of the 6th P. M., and running thence S. 804 feet, thence W. 365.7 feet, thence N. 804 feet, thence E. along the half section line 365.7 feet to place of beginning, containing 6.07 acres, more or less.

(10) All those several parcels of land, together with the improvements thereon, situate in the County of

Washington, State of Oklahoma, and described as follows:

The NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of SW $\frac{1}{4}$ of Sec. 5, in T. 25 N. R. 13 E.

The SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 22, T. 29 N. R. 12 E.

The SE 10 acres of Lot 3 in Sec. 5, in T. 25 N. R. 13 E.

Part of the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Sec. 5, T. 28 N. R. 14 E., described as follows: Beginning at the SW corner of the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$, thence E. 316.8 feet, thence N. 550 feet, thence W. 316.8 feet; thence S. 550 feet to the place of beginning, containing 4 acres, more or less.

The SW 9.72 acres of Lot 2 in Sec. 30, T. 29 N. R. 14 E.

TOGETHER with all the improvements on the real property above described, and the appurtenances thereto belonging, including all buildings, structures, fixtures, tanks, engines, machinery, appurtenances, appliances, tools, railroad tracks, pipes, and all other personal property of Empire Refining Company used on or in connection with the premises above described.

(11) ALL those several pipe lines, together with the easements for constructing, maintaining, replacing and operating the same, and including all pipes, pumps, boilers, engines, buildings, structures, gathering lines, tanks, conduits, meters, tools and appliances and other personal property used in connection therewith, located in the State of Oklahoma, and described as follows:

(a) A three-inch pipeline located in the County of Kay, connecting with the tanks of the Empire Refining Co. on its property in N. W. $\frac{1}{4}$ of Sec. 34, T. 26 N. R. 2 E. adjoining the right-of-way of the A. T. & S. F. Rail-

way; thence running along the West side of the said right-of-way of said railway company in a North and Easterly direction, approximately seven miles to a point where said railway line and right-of-way crosses the North boundary of Sec. 26, T. 27 N. R. 2 E; thence East along the public highway, along the South side thereof, to the Southwest corner of Sec. 19, T. 27 N. R. 3 E.; thence Northeasterly across said Sec. 19, to the Northeast corner thereof; thence East along the public road North of Sec. 20, and along the North side of said Section in said Township 27 N. R. 3 E.; thence in a Northeasterly direction across Sec. 16 in said Township and Range to a point near the Northeast corner thereof; thence East along the Section line on the North of Secs. 15 and 16 in said Township and Range to a point near the Northeast corner of said Sec. 15; thence in a Northeasterly direction across the corner of Sec. 10, and across Sec. 11 to a point near the North one quarter section corner, thence in a Northeasterly direction to a point in the S. E. $\frac{1}{4}$ of Sec. 2, T. 27 N. R. 3 E.

(b) A three-inch pipeline located in the County of Kay, beginning at a point on the above described line near the Northeast corner of Sec. 16, T. 27 N. R. 3 E., and thence running in a Southeasterly direction through Secs. 16 and 21, T. 27, R. 3 E., to a point on the East side of said Sec. 21 where said line changes size from a three-inch line to a two-inch line; thence in a Southerly direction through Secs. 21, 22 and 27, T. 27 N. R. 3 E., to a point in the N. E. $\frac{1}{4}$ of Sec. 34, T. 27 N. R. 3 E.

(c) A four-inch pipeline located in the Counties of Kay, Osage, Pawnee and Payne, connecting with the tanks at the Ponca City Refinery of Empire Refining Company on its property in the N. W. $\frac{1}{4}$ of Sec. 34, T. 26 N. R. 2 E.; thence in a Southerly and Easterly direction

through Sec. 34 to a point about the center of the South line thereof, on the Section line road; thence East along said section line road along the South side of Secs. 34 and 35 in said Township and Range, to the center of the Arkansas River; thence running East along the Township line between Townships 25 and 26 North a distance of approximately twenty (20) miles to a point in the N. E. $\frac{1}{4}$ of Sec. 1, T. 25 N. R. 5 E., known as Burbank Pumping Station; thence in a Southerly direction on and along the right-of-way of the A. T. & S. F. R. R. Co. to a point in the S. E. $\frac{1}{4}$ of Sec. 1, T. 25 N. R. 5 E.; thence in a Southerly direction along the line of said right-of-way to a point where said right-of-way crosses the West side of Sec. 31, T. 25 N. R. 6 E.; thence South along the Section line road between Ranges 5 and 6 E., to a point intersecting the right-of-way of the said A. T. & S. F. R. R. Co. near the Southwest corner of Sec. 19, T. 24 N. R. 6 E.; thence along the West side of said right-of-way to the center of the Arkansas River at the boundary line between Osage and Pawnee Counties; thence along said right-of-way in a Southerly direction to a point on the East side of Sec. 1, T. 22, N. R. 5 E., in Pawnee County; thence South along the public highway on the Range line between Ranges 5 and 6 in Pawnee County, to a point on the South line of said Pawnee County; thence South along the public highway between Ranges 5 and 6 East in Payne County to a point where said range lines cross the right-of-way of the A. T. & S. F. R. R. Co. in Sec. 30, T. 19 N. R. 5 E.; thence from said point South along the right-of-way of the said Railway to a point in Sec. 12, T. 18 N. R. 5 E., in Payne County to the Pumping Station known as the Nims Station; thence in a Southwesterly direction through Secs. 12, 14, 23, 26, 27, 28 and 33, all in T. 18 N. R. 5 E., Payne County to a point on the Empire Refining Company's Cushing Refinery site.

(*d*) A four-inch pipeline located in the County of Payne, connecting with the tanks of Empire Refining Company on its Cushing Refinery site in Sec. 33, T. 18 N. R. 5 E.; thence running East to a point in the center of the West line of Sec. 35, of said Township and Range; thence in a Southerly direction to the Southwest corner of Sec. 35 in said Township and Range; thence Eastward along the North line of Secs. 2 and 1 in T. 17 N. R. 5 E., to a point 621 feet East of Northwest corner of said Sec. 1.

(*e*) A four-inch pipeline located in the Counties of Okmulgee, Wagoner and Tulsa, connecting with the tanks of Empire Refining Company on its Okmulgee tank farm in the NE $\frac{1}{4}$ of Sec. 5, T. 13 N. R. 13 E.; thence in a Northeasterly direction to the Northeast corner of said section; thence East along the North side of Secs. 4, 3, 2, and 1 of said Township and Range; thence East along the North side of Secs. 6, 5, 4, 3, and 2 in T. 13 N. R. 14 E. to the Northeast corner of Sec. 2 of said Township and Range; thence North along the West line of Secs. 36, 25, 24, 13, 12 and 1 in T. 14 N. R. 14 E.; thence North along the West line of Secs. 36, 25, 24, 13, 12 and 1, T. 15 N. R. 14 E., said line changing size to a three-inch line in said Sec. 12; thence North along the West line of Secs. 36, 25, 24, 13, 12 and 1 in T. 16 N. R. 14 E.; thence in a Northerly and Easterly direction through Sec. 36, T. 17 N. R. 14 E.; thence in a Northerly direction to the North side of Midland Valley Railroad tracks in Sec. 25, T. 27 N. R. 14 E., said point lying approximately 375 feet North of the center of the South line of said section.

(*f*) A four-inch pipeline located in the County of Okmulgee, commencing at a point on the line last above described near the Northwest corner of Sec. 5, T. 13 N. R. 14 E.; thence South and East to the Morris Tank Farm situated in the SE $\frac{1}{4}$ of said Sec. 5.

(12) A system of gathering lines, together with the easements for constructing, maintaining, replacing and operating the same and including all pipes, pumps, boilers, engines, buildings, structures, tanks, conduits, meters, tools and other personal property used in connection therewith in what is known as the Independence or Sarco District, located in Montgomery County, Kansas, and Nowata and Washington Counties, Oklahoma, being more particularly described as follows:

Main lateral and gathering lines situated as follows: Secs. 28 and 33, T. 32 S. R. 16 E.; Secs. 4 and 5, T. 33 S. R. 16 E.; Secs. 10, 11, 14, 23, 26, 27, 33, 34, 35 and 36, T. 33 S. R. 15 E.; Secs. 19 and 30, T. 34 S. R. 16 E.; Secs. 18, 22, 23, 24, 27 and 28, T. 34 S. R. 15 E.; Secs. 1, 2, 4, 5, 7, 8, 10, 12, 13, 15, 23, 24, 25 and 36, T. 34 S. R. 14 E.; Secs. 6, 7 and 18, T. 35, S. R. 16 E.; Secs. 1, 12 and 13, T. 35 S. R. 14 E., all in Montgomery County, Kansas.

Secs. 18, 19, 30 and 31, T. 29 N. R. 14 E.; Secs. 24, 25, 26, 35 and 36, T. 29 N. R. 13 E.; Secs. 5 and 6, T. 28 N. R. 14 E., all in Washington County, Oklahoma.

Secs. 16, 17, 21, 28 and 33, T. 29 N. R. 15 E., Secs. 2, 3, 11, 14, 23, 26 and 35, T. 28 N. R. 15 E.; Secs. 2, 3, 10, 11, 14, 16, 18, 19, 20, 21, 22, 23, 26 and 27, T. 27 N. R. 15 E.; Secs. 28, 35 and 36, T. 26 N. R. 15 E.; Secs. 28, 31, 32, 33 and 34, T. 26 N. R. 16 E., all in Nowata County, Oklahoma; the grand total of pipe of which the above described lines, together with laterals and gathering lines, consists more particularly of 131,849 feet of two-inch pipe, 271,795 feet of three-inch pipe, 17,241 feet of four-inch pipe, 1601 feet of six-inch pipe, 160 feet of four and seven-eighths inch pipe and 127 feet of ten-inch pipe.

(13) 4,000 shares of the preferred capital stock of Producers Refining Company, a Missouri corporation, being

the entire authorized and outstanding preferred capital stock of said Company, and 3,995 shares of the common capital stock of said Company out of a total authorized and outstanding common capital stock of 4,000 shares.

(14) 4,979 shares of the capital stock of Empire Pipeline Company, a Delaware corporation, out of a total authorized and outstanding capital stock of 5,000 shares.

(15) 44,991 shares of the capital stock of Empire Refineries, Inc., a Maine corporation, out of a total authorized issue of 50,000 shares of which there are outstanding 45,000 shares.

Subject, however, as to part of the property of Empire Refining Company above described, to the lien of a mortgage or deed of trust made by said Company to Guaranty Trust Company of New York, as Trustee, dated February 1, 1917, under which there are outstanding \$4,284,000 principal amount of bonds.

All of the shares of capital stock last above described have been heretofore pledged with Guaranty Trust Company of New York, as Trustee under said mortgage or deed of trust dated February 1, 1917, and the certificates for said shares of capital stock have been delivered to said Guaranty Trust Company of New York as such Trustee. Empire Refining Company covenants that upon the satisfaction of said mortgage or deed of trust dated February 1, 1917, it will cause all the certificates of stock aforesaid then held by the Trustee under said mortgage or deed of trust to be transferred and delivered to the Trustee under this Indenture, and it hereby directs the Trustee under said mortgage or deed of trust dated February 1, 1917, to make such transfer, and it will execute and deliver to the Trustee hereunder such powers of attorney and other instruments as such Trustee may reasonably require in order to make the pledge of said shares of capital stock fully effective.

And the EMPIRE GAS AND FUEL COMPANY, a Maine corporation, one of the parties hereto of the second part, in consideration of the premises, and to secure the payment of the principal and interest of said bonds to be issued as herein provided, and the performance by the parties of the first and second parts of the covenants and agreements contained in said bonds and in this Indenture, does hereby grant, bargain, sell, convey, assign, mortgage, pledge, transfer, set over and confirm unto THE EQUITABLE TRUST COMPANY OF NEW YORK, the party hereto of the third part, as Trustee, and to its successors and assigns forever, in trust, as herein provided, all and singular the real and personal property of said Empire Gas and Fuel Company now owned or hereafter acquired, including the following oil and gas leases with the easements and rights in the lands therein described, but subject to the rent and covenants therein contained, together with all oil, wells, casings, pipes, derricks, engines, pumps, wire, tools, appliances, buildings, tanks and other personal property used in drilling for, securing, storing and marketing oil and gas, including the following leases affecting lands located in the State of Texas:

Leases recorded in Atascosa County Clerk's office in Book 73, pages 201, 224, 409, 419; in Book 73 Deeds, pages 197, 544, 581, 594, 615, 633, 637 and in Book 74—Deeds, page 604;

Leases recorded in the Armstrong County Clerk's office in Book 23, pages 339 and 341;

Leases recorded in the Bell County Clerk's office in Book 323, page 179;

Leases recorded in the Bexar County Clerk's office in Book 73 Deeds, page 26; in Book 539 Deeds, pages 132, 133, 333, 336, 338 and 341; in Book Deeds 541, pages 67, 403, 421 and 437; in Book Deeds 542, pages

439, 445, 453, 460 and 599; in Book Deeds 546, pages 65, 68, and 281 and in Book Deeds 548, page 361;

Leases recorded in the Brazoria County Clerk's office in Book 158, page 30; in Book 164, page 542; in Book 166, page 221; in Book 170, page 199; in Book 249, page 337, and leases affecting 50 acres out of E end of Thomas W. Grayson Sur. of one-third league situated in Rancho Prairie; 100 acres of S. F. Austin one-half league Grant, and $\frac{1}{4}$ in. in $\frac{5}{6}$ working int. in Tracts 208, 209, 210, 211 and $\frac{5}{6}$ int. in Tract 199 out of Ward's Sub-division of 250 acres of Edward S. Jones one-third league near Damon Mound;

Leases recorded in the Brown County Clerk's office in Book 145, pages 409, 412, 413, 418, 438, 452 and 488; in Book 147, page 217; and in Book 148 Deeds, page 594;

Leases recorded in the Callahan County Clerk's office in Book 63, page 451; in Book 64, pages 32 and 64; and in Book 66, page 393;

Leases recorded in the Carson County Clerk's office in Book 18, pages 389, 392, 394, 420, 422, 424, 427, 429, 566, 568, 569, 570, 573, 576, 577, 578, 580, 582, 584, 586, 587, 595, 598, 601, 604, 607, 609, 611, 614, 618, 620, 623, 624, 630; in Book 21, page 612, and leases affecting NW $\frac{1}{4}$ Sec. 43, Blk. 7, I. & G. N. Sur., SE $\frac{1}{4}$ Sec. 102 Blk. 7 and NW $\frac{1}{4}$ Sec. 30, NW $\frac{1}{4}$ Sec. 37 Blk. 4 I. & G. N. Ry. Co. Sur.

Lease recorded in the Chambers County Clerk's office in Book 9, page 127, and lease affecting 1 acre out of the NW Corner of Forest Barrow 13.9 acre tract in William Bloodgood League;

Leases recorded in the Childress County Clerk's office in Book 47, pages 1, 3, 5, 6, 7, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 54, 97, 98, 99, 107, 116 and 118;

Leases recorded in the Coleman County Clerk's office in Book 101, page 132 and in Book 106—Deeds, page 498;

Leases recorded in the Collingsworth County Clerk's office in Book 28, pages 379, 384, 385, 387, 390, 394, 398, 400, 402, 405, 407, and 409; in Book 30, pages 10, 11, 12, 16, 17, 18, 20, 21, 22, 26, 27, 42, 49, 59, 60, 68, 69, 70, 72, 74, 75, 76, 83, 84, 86, 87, 104, 113, 115, 116, 120, 121, 127 and 138; in Book 34, page 368; in Book 37, pages 233, 235, 237, 332, 368, 370 and 549; in Book 39, page 535, and lease held in escrow affecting E $\frac{1}{2}$ NW $\frac{1}{4}$ of SE $\frac{1}{4}$ Sec. 31, Blk. 19; H. & G. N. R. R. Sur.

Leases recorded in the Comanche County Clerk's office in Book 109—Deeds, pages 333 and 335; in Book 113, pages 101 and 113 and in Book 113—Deeds, pages 115 and 227;

Leases recorded in the Dallam County Clerk's office in Book 51, pages 3, 6, 9, 37, 38, 39, 42, 43 and 44;

Leases recorded in the Donley County Clerk's office in Book 33, page 309; in Book 36, pages 268, 269, 270, 274, 275, 276, 277, 278, 279, 282, 283, 285, 286, 287, 288, 290, 300, 301, 305, 306, 307, 308, 310, 311, 321, 324, 331, 346, 351, 352, 353, 356, 361, 362, 363, 364, 365, 366, 367, 369, 371, 373, 375, 376, 377, 378, 384 and 584;

Leases recorded in the Duval County Clerk's office in Book 9, pages 329, 331 and 332 and in Book 12, page 78;

Leases recorded in the Edwards County Clerk's office in Book 3, pages 389, 392 and 400; in Book 4, pages 4, 12, 17 and 21 and in Book 5, page 57;

Leases recorded in the Eastland County Clerk's office in Book 94, page 280; in Book 99, page 372; in Book 105, page 174; in Book 106, pages 558 and 606; in Book 107, pages 56 and 476; in Book 109, pages 84 and 89; in Book 116, page 162; in Book 117, page 628; in Book

127 Deeds, page 679 and in Book 128 Deeds, page 428;

Leases recorded in the Frio County Clerk's office in Book 55, page 362; in Book D-55, pages 291, 293, 298, 303, 305, 364, 370, 372, 411, 432, and 434; in Book 55—Deeds, page 367, and lease affecting Sur. 184 Dist. 2 and S $\frac{1}{2}$ Sur. 175.

Leases recorded in the Goliad County Clerk's office in Book 42, pages 390, 402, 406, 413, 418 and 421; and in Book 43, pages 1 and 10;

• Leases recorded in the Gray County Clerk's office in Vol. 1, pages 1, 3, 5, 8, 11, 12, 13, 14, 16, 17, 18, 19, 21, 23, 24, 25, 26, 30, 34, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 60, 61, 62, 63, 64, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 166, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 179, 180, 181, 184, 185, 186, 187, 190, 191, 192, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207 and 210; in Vol. 20, page 22 and in Vol. 23 Deed, page 506;

Leases recorded in the Grimes County Clerk's office in Book 93, page 287:

Leases recorded in the Gonzales County Clerk's office in Book Deeds 107, pages 115, 117, 120, 122, 124, 155, 157, 162, 173, 175, 177, and 180; in Book 182, page 159;

Leases recorded in the Guadalupe County Clerk's office in Book 51 Deeds, page 129; in Book Deeds 53, page 127; in Book 53, pages 1, 8, 10, 13, 15, 18, 20, 23, 25, 28, 30, 33, 35, 38, 40, 42, 45, 47, 50, 52, 55, 56, 57, 60,

62, 64, 69, 72, 127, 132, 135, 137, 140, 142, 145, 147, 150 and 345; in Book 54, pages 85, 88, 90, 93, 95, 98, 100, 103, 105, 108, 111, 113, 116, 118, 121, 123, 126, 129, 131, 134, 136, 139, 141, 144, 146, 149, 151, 154, 156, 159, 162, 164, 167, 170, 172, 175, 177 and 529;

Leases recorded in the Hall County Clerk's office in Book 33, pages 2, 11, 18, 30, 38, 39, 40, 41, 45, 47, 49, 51, 53, 54, 55, 56, 63, 67, 71, 73, 76, 77, 78, 82, 84, 88, 90, 98, 104, 109, 111, 124, 133, 172, 182, 184, 197, 198, 199, 205, 216, 217, 222, 224 and 227; and in Book 38, page 496;

Leases recorded in the Hardeman County Clerk's office in Book 36, page 332; in Book 55, page 36; in Book 56, pages 10, 13, 15, 18, 20, 23, 26, 29, 31, 34, 39, 42, 47, 50, 53, 55, 58, 61, 63, 66, 68, 71, 74, 80, 83, 86, 88, 176, 179, 184, 187, 190, 193, 195, 198, 201, 204, 206, 209, 212, 214, 217, 220, 222, 225, 229, 234, 237, 240, 242, 245, 248, 251, 258, 261, 264, 267, 269, 272, 275, 277, 280, 283, 285, 288, 290, 293, 296, 298, 301, 303, 306, 309, 334, 337, 340, 345 and 579, and in Book 57, page 165;

Leases recorded in the Hartley County Clerk's office in Book 2, pages 44, 46, 49, 50, 53, 55, 57, 58, 61, 63, 65, 67, 69, 71, 73, 77, 81, 83, 85, 87 and 89;

Lease for record in the Harris County Clerk's office affecting part of E. S. Jones one-third league (10 acres);

Lease recorded in the Hopkins County Clerk's office in Book 1, page 94;

Leases recorded in the Hunt County Clerk's office in Book 248, pages 245, 275, 282, 317, 330, 374, 398, 417, 479 and 563; in Book 249, pages 52, 215, 231 and 337; in Book 251, page 376; in Book 264, page 235 and in Book M., page 554;

Leases recorded in the Hutchinson County Clerk's office in Book 1, page 188; in Book 13, pages 430, 434 and 439; in Book 16, pages 509, 511, 513, 520, 523, 525, 527, 529, 531, 533, 535, 537, 539, 543, 545, 547, 549, 551,

553, 555, 559, 563, 565, 567, 569, 571, 573, 575, 577, 579, 581, 583, 585, 587, 589, 591, 595, 597, 599, 601, 603, 605, 607, 609, 611, 613, 615, 619, 621, 624, 627 and 632; and in Book 71, page 1;

Leases recorded in the Jack County Clerk's office in Book E-8, pages 97, 104 and 110 and in Book E-9, page 502;

Lease recorded in the Jones County Clerk's office in Book 91, page 536;

Leases recorded in the Kaufman County Clerk's office in Book 1, page 470; in 1 Lease, page 527; in Book 4, page 16, in Book 17, page 376 and lease affecting part of A. J. Payne H. R. Survey #543; (56 acres);

Lease recorded in the Kent County Clerk's office in Book 21, page 401;

Leases recorded in the La Salle County Clerk's office in Book 30, page 611 (also in Dimmitt County in Book U, page 633); and in Book X-1, pages 447, 451, 456, 461, 466, 470, 474, 479, 492, 497, 501, 506, 510, 514, 519, 523, 542, 547, 551 and 560;

Leases recorded in the Liberty County Clerk's office in Book 56, page 33; in Book 58, page 461; in Book D-69, page 426; in Book 84, page 597 and Fee in 4 acres out of T. R. Ogden 130 acre tract out of Lot No. 1 in the M. G. White League;

Leases recorded in the Limestone County Clerk's office in Book 107, page 293; in Book 117, page 501 and in Book 117 Deeds, page 491;

Leases recorded in the Medina County Clerk's office in Book 55, page 362; in Book A-55, pages 360, 364, 367, 372, 430, 432, 434, 438, 444, 455, 459, 462, 466, 468, 481, 487, 492, 494 and 636; in Book D-55, page 483; in Book 56, page 117; and in Book A-56, pages 52, 61, 64, 80, 122, 124, 134, and 136;

Leases recorded in the Milam County Clerk's office in Book 1, pages 193 and 232 and in Book 2, pages 224 and 618;

Leases recorded in the Moore County Clerk's office in Book 20, pages 487, 602 and 603; in Book 21, pages 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 44, 45, 47, 48, 49, 50, 51, 52, 53, 55, 56, 57, 58, 59, 60, 62, 63, 64, 66, 68, 72, 75 and 77; in Book 22, page 40 and in Book 23, page 499;

Leases recorded in the McMullen County Clerk's office in Book D-"W", pages 207 and 281;

Leases recorded in the Navarro County Clerk's office in Book 214, page 105; in Book 235, page 551; in Book 240, pages 97, 121 and 199; in Book 243, page 327, and leases affecting 30 acres out of the Cochran League Survey, 60 acres out of the B. E. Graham Survey and 50 acres out of Julian Fontenoy Survey;

Lease recorded in Oldham County Clerk's office in Book 18, page 245;

Leases recorded in the Palo Pinto County Clerk's office in Book 73, pages 266, 268 and 283; in Book 74, pages 285, 300, 422 and 562; in Book 75, pages 51, 54 and 618; in Book 80, pages 7, 149, 494, 496, 498, 500, 502, 504, 506, 508, 512, 514, 516, 518, 631, 653 and 656; in Book 86, pages 224, 254, 270, 272, 274, 277, 295, 480, 506, 517 and 583; in Book 87, pages 127 and 484; in Book 90, page 473; in Book 106, page 338; in Book 111, page 543 and in Book 112, pages 20 and 165;

Lease recorded in the Panola County Clerk's office in Book 57, page 350;

Lease recorded in the Pecos County Clerk's office in Book 2, page 37;

Leases recorded in the Potter County Clerk's office in Book 10, page 106; in Book 18, page 614; in Book 64,

page 98; in Book 66, pages 40, 57, 477, 485, 490, 492, 495, 497 and 507, and in Book 97, pages 185 and 189;

Leases recorded in the Shackelford County Clerk's office in Book 48, pages 68, 69, 73, 74 and 183; in Book 49, pages 43 and 48; in Book 50, page 396 and in Book 67, pages 311, 313 and 315;

Leases recorded in the Stephens County Clerk's office in Book 16, page 614; in Book 55, page 637; in Book 56, pages 24, 220, 229, 233, 236, 238, 240 and 610; in Book 57, pages 105, 109, 118, 122, 132, 234 and 271; in Book 73, page 617; in Book 77, page 141 and in Book 82, page 593;

Leases recorded in the Throckmorton County Clerk's office in Book 25, page 358; in Book 26, page 15; in Book 33, pages 272, 276 and 279, and leases affecting NE $\frac{1}{4}$ Sec. 2, Cert. 112, B & B Sur.; Abst. 944, P. D. Treadwell, 160 A; Abst. 1151 Sur. 31, M. Coffee 101 A; Abst. 1157, Sur. 52 M. Coffee 45 A; Abst. 876 Sur. 32, H. R. Treadwell 21 A; Abst. 1251 Sur. 32 M. Coffee 136 Acres; (463 acres in all); Abst. 1153 Sur. 51 M. Coffee 75 A; Abst. 1272 P. F. Goff 80 Acres; Abst. 902 J. R. LaBlue 160 A; Abst. 1250 Sur. 29, 23 acres (388 Acres in all); Abst. 1381 Sur. 2 J. Beall 160 A. Abst. 1150 Sur. 30 M. Coffee 160 A; Abst. 1249 Sur. 28 E. S. Cook 160 A; Abst. 1275 J. R. LaBlue 160 A; Abst. 1389 Cert. 112 Sur. 2 B. & B. 320 Acres (960 acres in all); one-half interest in T. E. L. Co. Sur. 1623, Abst. 462, Cert. 1623 (320 Acres); Abst. 912 Sur. 6 N. League 160 acres; Abst. 1296 E. S. Cook 41 A; Abst. 35, Sur. 1 B & B Sur. 574 acres (775 acres in all); W. H. Howard Pre-emption Sur. Abst. 1048 Pat. 543 Vol. 18 (160 acres); one-half interest in T E & L Co. Sur. 1623 Abst. 462, Pat. 365 (320 acres); all of T E L Co. Sur. 1605, all of T E L Co. Sur. 1610 and T E L Co. Sur. 1617 (960 acres); and T E & L Co. Sur. 1613 Sur. 1602 T E & L Co. and Sur. 1603 T E & L Co. (960 acres);

Lease recorded in the Tom Green County Clerk's office in Book 91, page 68;

Leases recorded in the Webb County Clerk's office in Book 57, page 521; in Book 68, page 460 (and Vol. 12, page 108 Duval County), 467, 471, 477 (and in Duval County, Vol. 12, page 110) and 480; in Book Deeds 68, pages 583, 478, 594, 637, 640, 642 and 644; in Book Deeds 69, page 1, 2, 4, and 6; in Book 69, page 397 and lease affecting NW $\frac{1}{4}$ of Sec. 112 Abs. 2032, Cert. 456 Jesus Lopez Orig. grantee.

Leases recorded in the Wilbarger County Clerk's office in Book 67, pages 12, 55 and 56;

Leases recorded in the Wood County Clerk's office in Book 40, page 313, and in Book 46, pages 200, 204, 207, 209, 215, 218, 222, 225, 283, 286, 289, 293, 297, 298, 301, 304, 307, 311, 316, 319, 329, 333, 337, 340, 343 and 346;

Leases recorded in the Young County Clerk's office #1, in Book 64, page 173 and 174 and in Book 67, pages 105, 126, 160, 184, 493 and 510; and in Young County #2 in Book 9, page 596; in Book 64, pages 175, 180 and 222; in Book 66, pages 532, 534 and 535, and in Book 67, pages 186 and 206;

Leases recorded in the Zapata County Clerk's office in Book 1, page 321; in Book 2, page 249; in Book 9 Deeds, pages 505, 519, 523, 534, 548, 552, 561, 567, 573, 578, 583, 587, 591, 597, 602, 607 and 624; in Book 11, pages 195, 200, 209, 214, 218, 222, 226, 230, 234, 238, 244, 254, 258, 262, 266, 270, 274, 279, 306, 310, 316, 325, 344, 352, 358, 362, 368, 373, 377, 382, 386, 390, 394, 399, 403, 432, 436 and 440; in Book 11 Deeds, pages 26, 48, 65, 82, 104, 108, 112, 116 and 171; in Book 12, pages 71, 72, 73, 110 and 254; and leases affecting Porcion 34, orig. grantee Pedro Vela out of the Ancient Jurisdiction of Guerrero of Mexico, Field Notes to which are recorded in Book B. Vo. 1, Pages 58 and 59 Surveyor's Record of

said County, Porcion 26, Orig. grantee Rafael Vela out of the Ancient Jurisdiction of Guerrero of Mexico, and Porcion 25, Orig. grantee Jacinto De La Pina out of the Ancient Jurisdiction of Guerrero.

Leases recorded in the Zavalla County Clerk's office in Book Deed F, page 601; in Book Deed T, page 610; in Book "T", pages 106, 605, 608 and 612, and in Book Deeds "U", page 44.

And the EMPIRE GAS AND PIPELINE COMPANY, a Maine corporation, one of the parties hereto of the second part, in consideration of the premises and to secure the payment of the principal and interest of said bonds to be issued as herein provided, and the performance by the parties of the first and second parts of the covenants and agreements contained in said bonds and in this Indenture, does hereby grant, bargain, sell, convey, assign, mortgage, pledge, transfer, set over and confirm unto THE EQUITABLE TRUST COMPANY OF NEW YORK, the party hereto of the third part, as Trustee, and to its successors and assigns forever, in trust, as herein provided, ALL and singular the real and personal property of said Empire Gas and Pipeline Company now owned or hereafter acquired, including the following pipelines, together with the easements for constructing, maintaining, replacing and operating the same in the counties of Cowley and Sumner in the State of Kansas and in the County of Kay in the State of Oklahoma, and described as follows: A 16 inch main pipeline beginning at the 16 inch to 12 inch swedge at the point of connection of said 16 inch main pipeline to the 12 inch intake pipes of the Cambridge Compressor Station of the Empire Natural Gas Company in the NW $\frac{1}{4}$ Sec. 10, T. 31, S. R. 7 E. in Cowley County, Kansas, and running thence in a Southwesterly direction through Secs. 10, 9, 16, 17, 20, 19 and 30, T. 31, S. R. 7 E., Secs. 25, 36

and 35, T. 31, S. R. 6 E., Secs. 2, 3, 10, 9, 8, 17, 18 and 19, T. 32, S. R. 6 E., Secs. 24, 25, 26, 35 and 34, T. 32, S. R. 5 E., Secs. 3, 4, 9, 8, 17, 18 and 19, T. 33, S. R. 5 E., Secs. 24, 25, 26, 35, 34 and 33, T. 33, S. R. 4 E., Secs. 4, 5, 8, 7, and 18, T. 34, S. R. 4 E., Secs. 13, 24, 23, 26, 27, 34 and 33, T. 34, S. R. 3 E., Secs. 4, 5, 8 and 7, T. 35, S. R. 3 E. to a point on the line dividing Cowley and Sumner Counties, having a total length of 193,283 feet, of which 191,972 feet is 16 inch pipe and 1311 feet is double 10 inch pipe Arkansas River Crossing; thence from said point in a Southwesterly direction through Secs. 12, 13 and 14, T. 35, S. R. 2 E. to a point on the line dividing the States of Kansas and Oklahoma, a distance of 8,102 feet; thence a 16 inch pipeline from said point which is on the North line of the NW $\frac{1}{4}$ of Sec. 14, T. 29, N. R. 1 E. State of Oklahoma, in a Southwesterly direction through Secs. 14, 15, 22, 21, 28 and 29, T. 29, N. R. 1 E. to a point of connection with the field gathering system, which point lies 55 feet North and 73 feet East of the Southwest corner of said Section 29, Kay County, Oklahoma;

And the EMPIRE GASOLINE COMPANY, a Delaware corporation, one of the parties hereto of the second part, in consideration of the premises, and to secure the payment of the principal and interest of said bonds to be issued as herein provided, and the performance by the parties of the first and second parts of the covenants and agreements contained in said bonds and in this Indenture, does hereby grant, bargain, sell, convey, assign, mortgage, pledge, transfer, set over and confirm unto THE EQUITABLE TRUST COMPANY OF NEW YORK, the party hereto of the third part, as Trustee, and to its successors and assigns forever, IN TRUST, as herein provided, ALL and singular the real and personal property of said Empire Gasoline Company now owned or hereafter acquired,

including all leases, patents, processes, machinery, engines, buildings, appliances, appurtenances, tools, and other personal property used in the conduct of its business, and particularly in its refining plant at Independence, Montgomery County, Kansas, and also including the following real estate, together with all the buildings and improvements thereon:

(1) A parcel of land located in Bartlesville, Washington County, Oklahoma, described as follows: Beginning at the Southwest corner of the NW $\frac{1}{4}$ of Sec. 17, T. 29, N. R. 13 E. and running East 874 feet, thence North 66 degrees 5 minutes West 956 feet, thence South 379 feet to the point of beginning, containing 3.8 acres of land more or less.

Also Lots 1, 2, 3, 4, 10, 11 and 12 in Blk. 14, originally Town, now City, of Bartlesville, Oklahoma.

(2) All that tract of land with the improvements thereon located in Garfield County, Oklahoma, described as follows: Beginning at the point of intersection of the South right-of-way line of the St. Louis & San Francisco Railroad and the section line between Secs. 13 and 14, T. 21, N. R. 4 W., which point is 50 feet distant from the center of the main line of the St. L. & S. F. R. R. measured at right angles thereto, and 408.3 feet South of the Northeast corner of Sec. 14; thence North 62 degrees 33 minutes West with said right-of-way line a distance of 415.5 feet to a point which is 10 feet distant from the center line of proposed spur track as located, measured at right angles thereto in a Southwesterly direction; thence in a Southeasterly direction on a line parallel to the located center line of said proposed spur track and 10 feet distant therefrom a distance of 296.9 feet to a point which is 215 feet West of section line between said Secs. 13 and 14; thence South 493.5

feet; thence East 50 feet; thence North 617.5 feet to a point 70 feet Southwest of center of main line of St. L. & S. F. R. R. measured at right angles thereto; thence South 62 degrees 33 minutes East parallel with said railroad 185.94 feet to a point in the above mentioned section line; thence North on said section line to the point of beginning, containing 1.05 acres more or less, excepting however a private roadway not to exceed 20 feet in width located at the extreme South end of said tract of land.

(3) A tract of land with the improvements thereon located in Cowley County, Kansas, described as follows: Commencing at the Northeast corner of the SE $\frac{1}{4}$ of Sec. 13, T. 34, S. R. 3 E.; thence South on the section line 660 feet to a point; thence West 506 feet to a point; thence North 640 feet to a point; thence West 1356 feet more or less to a point 80 feet East at right angles from the East line of the right-of-way of the St. L. & S. F. Ry; thence in a Southerly direction parallel with and distant 80 feet East of said right-of-way 970 feet to a point; thence in a Westerly direction at a right angle to said right-of-way 80 feet to a point in the East line of said right-of-way; thence in a Northerly direction along said right-of-way 990 feet to the intersection with the North line of said quarter section; thence East along the North line of said quarter section 1942 feet more or less to the point of beginning, containing 10 acres more or less.

(4) A tract of land with the improvements thereon located in St. Charles Parish, State of Louisiana, described as follows: Beginning at a 2 inch iron pipe on the West boundary line of the Fairview Plantation in said Parish and State, said pipe being on the North line on the gravel road adjacent to the levee; thence North 16 degrees 10 minutes West along said West boundary of the Fair-

view Plantation 6,511.3 feet more or less to a 2 inch iron pipe; thence to the right 80 degrees and 44 minutes a distance of 3,700 feet to a 2 inch iron pipe; thence to the right 113 degrees and 39 minutes a distance of 7,094.5 feet more or less to the low water line of the Mississippi River, said low water line being approximately 6.65 feet above the Memphis Datum Plant as indicated on chart No. 75 made under direction of Mississippi River Commission; thence up the river following said low water line a distance of 2,000 feet more or less to the point of intersection with the West or upper line of the Fairview Plantation as extended to said river; thence Northwesterly along the West or upper line of said plantation a distance of 411 feet more or less to the point of beginning.

And the EMPIRE PETROLEUM COMPANY, one of the parties of the second part in consideration of the premises and to secure the payment of the principal and interest of the said bonds to be issued as herein provided, and the performance by the parties of the first and second parts of the covenants and agreements contained in said bonds and in this indenture, does hereby grant, bargain, sell, convey, assign, mortgage, pledge, transfer, set over and confirm unto THE EQUITABLE TRUST COMPANY OF NEW YORK, the party hereto of the third part, as Trustee, and to its successors and assigns forever, in trust as herein provided, ALL and singular the real and personal property of Empire Petroleum Company now owned or hereafter acquired, including all crude and refined oil or petroleum and petroleum products, licenses, easements, leases, rights, interests, contracts, patents, processes, tanks, pipelines, pipes, gathering lines, boilers, engines, machinery, apparatus, tools, appliances, and all other rights, interests and property now or hereafter owned, used or to be used in connection with the business carried on by said Empire Petroleum Company.

And also as to all of the parties of the first and second parts all licenses, easements, contracts, interests, rights, claims, books of account, corporate, tax, operating and business records of every kind, abstracts and memoranda of titles, maps, surveys, office furniture and fixtures, safes, franchises (but not including the franchise to be a corporation), good will, patents, processes and all contracts or agreements respecting patents or processes, together with all the improvements on any real property now owned or hereafter acquired and the appurtenances thereto belonging, including all buildings, structures, fixtures, tanks, engines, machines, appliances, railroad tracks, pipes, tools, used on or in connection with the same, and all other real and personal property now owned or hereafter acquired by the several parties of the first and second parts; subject, however, to any existing and to any future liens which may be created by any of the parties of the first and second parts upon petroleum and petroleum products above ground.

The specific description or enumeration herein of properties of the parties of the first and second parts shall not be construed as limiting the scope and intent of the lien of this mortgage, which is intended to cover all property, real and personal, and all rights and interests therein and every other right and interest which the parties of the first and second parts now have and may hereafter acquire, except as herein specifically excepted.

TO HAVE AND TO HOLD, all and singular, the said properties, real, personal or mixed, hereby conveyed, transferred, pledged or assigned by the Company and the Subsidiary Mortgagor Companies as aforesaid, or intended so to be, whether now owned or held or hereafter acquired (hereinafter sometimes called the trust estate), unto the Trustee, its successors and assigns forever;

BUT IN TRUST, NEVERTHELESS, under and subject to the conditions hereinafter set forth, for the equal and proportionate benefit and security of all and singular the present and future holders of the Bonds and interest coupons issued and to be issued under this Indenture, without preference, priority or distinction of any one Bond over any other Bond by reason of priority in the issue, sale or negotiation thereof, or otherwise, and for securing the observance or performance of all the terms, provisions and conditions hereof.

AND IT IS HEREBY COVENANTED AND DECLARED that the terms and conditions upon which the Bonds, with the coupons for interest, are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof, and the trusts and conditions upon which the trust estate is to be held and disposed of, which said trusts and conditions the Trustee hereby accepts and agrees to discharge, are as follows:

ARTICLE I.

FORM AND EXECUTION OF BONDS.

SECTION 1. The amount of Bonds which may be executed by the Company and which may be authenticated by the Trustee, is limited, so that at no time shall there be issued and outstanding under this Indenture Bonds for an aggregate principal amount exceeding \$150,000,000 except as provided in Section 10 of this Article in respect of lost, destroyed or stolen Bonds.

SECTION 2. The Bonds issued hereunder are to be issued in series, the Bonds of each series to be designated by such distinctive name as may, consistently with the

provisions hereof, be deemed appropriate by the Board of Directors of the Company. Each Bond issued hereunder shall bear upon the face thereof the designation so selected for the series to which it belongs. All Bonds of the same series at any time simultaneously outstanding shall be identical in tenor and effect, except that they may be of different denominations and may consist in part of coupon Bonds with or without privilege of registration as to principal and in part of registered Bonds, without coupons, and except that registered Bonds may be dated on and bear interest from different dates, and except that they may contain such variations of tenor and effect as are incidental to difference of denomination and form, including variations in the provisions for interchange of Bonds of different forms and denominations and in the provisions for the registration and transfer of Bonds.

SECTION 3. The initial series of Bonds to be issued under this Indenture shall be designated as the First and Refunding Convertible Fifteen Year 7½% Gold Bonds, Series "A", of the Company. If any subsequent series shall not include in its designation the words "First and Refunding" in such sequence or shall include in its designation the word "Mortgage", the Company agrees that it will, upon surrender of any outstanding Bonds of Series "A", deliver to the bearer or registered holder thereof, at his expense, a new bond identical in form in all respects with the Bonds of Series "A", but bearing the same designation as such subsequent Series in so far as such words are concerned. The amount of Bonds of Series "A" which may be executed by the Company and which may be authenticated by the Trustee, is limited, so that at no time shall there be issued and outstanding under this Indenture Series "A" Bonds for an aggregate principal amount exceeding \$50,000,000 except as pro-

vided in Section 10 of this Article in respect of lost, destroyed or stolen Bonds. Bonds of Series "A" shall be due May 1, 1937 and shall bear interest at the rate of seven and one half per cent. ($7\frac{1}{2}\%$) per annum, payable semi-annually on the first day of May and the first day of November in each year, and shall be substantially in the forms set forth in the recitals of this Indenture with appropriate insertions, omissions and variations as in this Indenture provided.

SECTION 4. The Bonds of any series other than Series "A" shall be in such forms and shall contain such provisions, and the supplemental indenture or indentures providing for the issuance thereof shall contain such provisions, as may be determined by the Board of Directors of the Company, from time to time, and as shall not be in conflict herewith; provided that, so long as any Bonds of Series "A" are outstanding, the form and provisions of Bonds of any other series and the terms of the supplemental indenture or indentures respectively providing for the issuance thereof, may differ from the Bonds of Series "A" and the provisions hereof applicable to the Bonds of Series "A" only in the following respects: (a) name or designation; (b) date; (c) date or dates of maturity; (d) interest rate; (e) weight and fineness of gold coin and currencies, domestic or foreign, and at fixed or other rates of exchange in which payable; (f) denominations and numbering; (g) provisions for issuance in coupon or registered form, privileges of registration and of interchange; (h) covenants regarding taxes, assessments or governmental charges, without deduction for which principal and/or interest shall be payable; (i) covenants regarding taxes, assessments or governmental charges in respect of which the bondholder is to be reim-

bursed; (*j*) provisions regarding right of redemption, redemption premium and method of redemption; (*k*) conversion privileges; (*l*) authorized amount of series; (*m*) place or places where payable; (*n*) covenants regarding sinking or other funds and their disbursement; (*o*) provisions for default and remedies and rights thereunder; (*p*) provisions for security, releases of property, issuance of bonds and earnings restrictions; (*q*) provisions for reports or statements to be made or filed; (*r*) covenants concerning pledged stock and conduct of business of Company or subsidiaries and (*s*) covenants concerning possession of trust estate; provided, however, that, so long as any Bonds of Series "A" shall be outstanding, Bonds of other series or the supplemental indenture or indentures providing for the issuance thereof shall not contain any provisions of the nature enumerated in Clauses (*o*), (*p*), (*q*), (*r*) and (*s*) different from those contained in this Indenture unless such provisions shall, by their terms, become effective only after the retirement of all the Bonds of Series "A"; nor shall they contain any provisions entitling the holder of any Bond of such other series to the payment of more than the principal amount thereof and accrued interest to the date of payment at the due date or upon maturity by reason of default; nor shall any other series have a maturity within one year prior to May 1, 1937; but they may contain covenants, the breach of which might (under circumstances therein to be stated) be an event of default, in addition to the covenants herein contained.

SECTION 5. Bonds of Series "A" shall consist of coupon Bonds, to be issued in the denominations of \$100, \$500 and \$1,000, and to be numbered respectively from C-1, D-1 and M-1 consecutively upwards; and of registered Bonds without coupons to be issued in denomina-

tions of \$1,000 numbered consecutively from RM-1 upwards, and of any multiple of \$1,000, each such denomination being numbered consecutively from R-1 upwards with such appropriate distinctive letter prefixed to the number as the officers of the Company may select for each denomination above \$1,000.

Coupon Bonds of Series "A" shall be dated May 1, 1922, irrespective of the actual execution and issue thereof, and shall bear interest from such date.

SECTION 6. Every registered Bond shall be dated as of the date of its issue and shall bear interest from the interest payment date next preceding such date of issue, unless issued on an interest payment date, in which event it shall bear interest from its date, and upon the issuance of any registered bond of Series "A", there shall, if required by the rules of the New York Stock Exchange be reserved unissued a coupon Bond or Bonds of the same Series, of the denomination of \$1,000 each, of a like aggregate principal amount, and the serial numbers of the coupon Bond or Bonds so reserved unissued shall be endorsed on such registered Bond, in such appropriate manner as may be necessary or advisable to comply with the rules of the New York Stock Exchange.

SECTION 7. Coupon Bonds shall be negotiable and shall pass by delivery unless registered as to principal in the manner hereinafter provided. The Company shall keep at its office or agency in the Borough of Manhattan, City and State of New York, books for the registration and transfer of Bonds of Series "A" (and of Bonds of any other Series issued hereunder, entitled to registration and transfer) which, at all reasonable times, shall be open for inspection by the Trustee or by holders of at least one per cent. in principal

amount of Bonds of Series "A"; and upon presentation for such purpose at such office, the Company will register, transfer or exchange or will cause to be registered, transferred or exchanged therein as hereinafter provided, and under such reasonable regulations as it may prescribe, any Bond issued under this Indenture, and entitled to be registered, transferred or exchanged at such office.

The holder of any coupon Bond of Series "A" (and of any other Series issued hereunder if such right is granted to the Bonds of such other Series of which it is one), may have the ownership thereof registered on said books of the Company at its office or agency aforesaid, and such registration noted on the Bond. After such registration no transfer shall be valid unless made on the said books by the registered holder in person or by his duly authorized attorney, and similarly noted on the Bond; but the Bond may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; and such Bond may again and from time to time be registered or be transferred to bearer as before. Such registration, however, shall not affect the negotiability of the coupons, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer.

Any registered Bond without coupons may be transferred at the office or agency of the Company aforesaid by surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in form approved by the Company duly executed by the registered holder of such Bond, and thereupon the Company shall issue in the name of the transferee or transferees a new registered Bond or new registered Bonds of the same series, for a like aggregate amount, and the Trustee shall authenticate and deliver the same to him or them. One such Bond may be exchanged for several

such Bonds of the same series, for the like aggregate principal amount; and several such Bonds of the same series, in the same name, may be exchanged for one such Bond or for several other such Bonds of the same series, for the like aggregate principal amount. Bonds surrendered for such purpose shall be cancelled.

Whenever any coupon Bonds of Series "A" (or of any other Series issued hereunder, if such right is granted to the Bonds of such other Series) aggregating in principal amount \$1,000, or a multiple thereof, being all of the same series, with all unmatured coupons thereunto belonging, shall be surrendered at said office or agency of the Company for exchange for a registered Bond without coupons, the Company shall issue and the Trustee shall authenticate and in exchange for such coupon Bonds, shall deliver registered Bonds or one registered Bond without coupons for the like aggregate principal amount, of the same series. Whenever any registered Bond without coupons of Series "A" (or of any other Series issued hereunder, if such right is granted to the Bonds of such other Series) shall be surrendered, at said office or agency of the Company for exchange for coupon Bonds, the Company shall issue and the Trustee shall authenticate and in exchange for such registered Bond, shall deliver a coupon Bond or Bonds for the like aggregate principal amount, of the same series, with interest coupons maturing on and after the next ensuing interest payment date and bearing the serial numbers endorsed on the Bonds surrendered. In every case of such exchange, the surrendered Bond or Bonds shall be presented to the Trustee for cancellation, and the Trustee shall forthwith cancel the same and shall deliver them to the Company upon its request.

Upon every such exchange of coupon Bonds for registered Bonds or of registered Bonds for coupon Bonds,

or for other registered Bonds, and upon any transfer of registered Bonds without coupons, the Company may require the payment of such charge therefor as it may deem proper (not exceeding \$1.00 for each new Bond issued upon such exchange or transfer) payment of which, together with any taxes or other governmental charges which may be imposed upon the Company in connection with such exchange or transfer, shall be made by the party requesting such exchange or transfer as a condition precedent to the exercise of the privilege conferred by this Section.

The books for the registration and transfer of registered Bonds may be closed for a period of ten days prior to any interest payment date.

SECTION 8. Every coupon Bond of Series "A" of any denomination, with all unmatured coupons thereunto appertaining, shall be either singly or together with other coupon Bonds of the same Series, exchangeable upon surrender at the said office or agency of the Company mentioned in Section 7 of this Article, at the option of the bearer or registered holder upon payment of the charges specified in said Section 7, for a coupon Bond or coupon Bonds of the same series, bearing all unmatured coupons, of an aggregate principal amount equal to the aggregate principal amount of the Bond or Bonds so surrendered for exchange. Bonds of Series "A" shall have endorsed thereon a legend setting forth the privileges conferred by Sections 7 and 8 in such form as may be required to conform with the rules of the New York Stock Exchange. In every case of such exchange, the Trustee shall forthwith cancel the surrendered Bond or Bonds and coupons, and shall deliver the same to the Company upon its request.

SECTION 9. As to all registered Bonds and all coupon Bonds registered as to principal, the person in whose name the same shall be registered shall be deemed and regarded as the owner thereof, for all purposes of this Indenture, and thereafter payment of or on account of the principal of such Bond, if it be a registered coupon Bond, and of the principal and interest, if it be a registered Bond without coupons, shall be made only to or upon the order in writing of such registered holder thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid. The Company and the Trustee may deem and treat the bearer of any coupon Bond, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such Bond, whether such Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Company and the Trustee shall not be affected by any notice to the contrary.

SECTION 10. Upon receipt by the Company and the Trustee of evidence satisfactory to them, of the loss, theft, destruction or mutilation of any outstanding Bond, with the coupons thereto appertaining, if any, hereby secured, and of indemnity satisfactory to them, and upon surrender and cancellation of such Bond if mutilated, the Company may execute, and the Trustee may certify and deliver, a new Bond, with the coupons thereto appertaining, if any, of the same series, and of like tenor, bearing the same serial number, to be issued in lieu of such lost, stolen, destroyed or mutilated Bond.

SECTION 11. The Bonds shall be signed in the name of the Company by its present or any future president or

vice-president, and its corporate seal shall be thereto affixed and attested by its present or any future secretary or assistant secretary. In case any one or more officers who shall have signed or sealed any of the Bonds shall cease to be such officer or officers before the Bonds so signed and sealed shall have been actually authenticated and delivered by the Trustee, such Bonds may, nevertheless, upon the request of the Company be authenticated and delivered, as herein provided, and may be issued as though the persons who signed and sealed such Bonds had not ceased to be such officers of the Company.

The coupons to be attached to the coupon Bonds shall be authenticated by the fac-simile signature of the present or any future treasurer of the Company and the Company may adopt and use for that purpose the fac-simile signature of any person who shall have been treasurer of the Company, notwithstanding the fact that he may have ceased to be such treasurer at the time when such Bonds shall be actually authenticated and delivered.

Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinbefore set forth, duly executed by the Trustee, shall be entitled to any lien or benefit hereunder. No Bond and no coupon thereunto appertaining shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly endorsed on such Bond; and such certificate of the Trustee upon any Bond executed in behalf of the Company shall be conclusive and the only evidence that the Bond so authenticated has been duly issued hereunder and that the holder is entitled to the benefit of the trust hereby created, but such certificate shall not constitute a representation by the Trustee.

Before authenticating or delivering any Bonds, the Trustee shall cut off, cancel and, upon its request, deliver to the Company all coupons thereon then matured.

SECTION 12. Until permanent Bonds of any Series are ready for delivery, the Company may execute and upon request of the Company, the Trustee shall authenticate and deliver in lieu of any thereof, but subject to the same provisions and limitations and conditions, temporary printed or lithographed Bonds in bearer or registered form, substantially of the tenor of the permanent Bonds of the same series, and in denominations of any multiple of \$100, and with or without coupons, and with such appropriate omissions, insertions and variations as may be required. Until exchanged for permanent bonds, such temporary Bonds shall in all respects be entitled to the same rights and privileges and lien and security of this Indenture as the permanent Bonds to be issued and authenticated hereunder. Upon such exchange, which the Company shall make promptly at its own expense and without making any charge therefor, such temporary Bonds shall be destroyed by the Trustee, and upon the exchange of all of said Bonds, a certificate of such destruction shall be delivered to the Company. If said temporary Bonds shall be issued without coupons, interest when and as payable shall be paid upon presentation thereof, and notation of such payment shall be endorsed thereon. Until such permanent Bonds are ready for delivery, the holders of temporary Bonds shall have the same privilege of registration, transfer and exchange as hereinbefore set forth.

SECTION 13. The Bonds issued hereunder, if pledged or sold, or otherwise issued by the Company, upon being released from pledge or upon being repurchased or otherwise acquired by the Company (except when acquired by purchase or call for redemption through sinking or other funds or otherwise, pursuant to such provisions of the Bonds or of this Indenture, as shall require cancella-

tion of Bonds so purchased or called for redemption), may again be sold, pledged or otherwise issued, reissued or disposed of by the Company as often as it may repossess or acquire the same, and shall continue to be entitled to the security of this Indenture as upon their original issue.

ARTICLE II.

ISSUE AND APPROPRIATION OF BONDS.

SECTION 1. \$45,000,000 principal amount of the Bonds authorized to be issued under this Indenture, being a part of the Bonds of Series "A", may from time to time be executed by the Company and delivered to the Trustee and shall forthwith upon such delivery be authenticated by the Trustee and delivered (without awaiting the filing or recording of this Indenture) in accordance with the order or orders of the Company evidenced by a writing or writings signed by its President or a Vice-President, and Treasurer or Assistant Treasurer, and the Bonds so authenticated and delivered may be used by the Company for any of its lawful purposes. The Trustee, shall, however, be under no obligation to see to the use or application of such Bonds or their proceeds.

SECTION 2. \$5,000,000 principal amount of the Bonds authorized to be issued under this Indenture, being the remainder of the Bonds of Series "A", hereinafter called the Additional Bonds, may from time to time (unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one* of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing) be executed by the Company and delivered to the Trustee and

shall forthwith upon such delivery be authenticated by the Trustee and delivered in accordance with the order or orders of the Company evidenced by a writing or writings signed by its President or Vice-President and Treasurer or Assistant Treasurer, accompanied by the documents specified in Section 8 of this Article,

(a) If the combined net earnings of the Company and of the Subsidiary Companies, calculated as hereinafter provided, for a period of twelve consecutive calendar months within the fourteen calendar months immediately preceding any application for authentication and delivery of bonds, shall be in the aggregate not less than four times the combined annual interest charges (as hereinafter in this Section defined) of the Company and of the Subsidiary Companies, or

(b) If the average annual amount of such combined net earnings for a period of twenty-four consecutive calendar months within the twenty-six calendar months immediately preceding any such application shall be in the aggregate not less than three and one-half times such combined annual interest charges, or

(c) If the average annual amount of such combined net earnings for a period of thirty-six consecutive calendar months within the thirty-eight calendar months immediately preceding any such application shall be in the aggregate not less than three times such combined annual interest charges.

The combined net earnings of the Company and of the Subsidiary Companies shall be calculated by deducting from their aggregate gross revenues (excluding proceeds realized from the sale of property other than

current assets, including stores and supplies and oil and gas above ground as current assets) the aggregate operating expenses of the Company and of the Subsidiary Companies, including therein administrative expenses other than those charged to capital account or surplus, taxes (other than Federal taxes), rentals, insurance, expenditures for current maintenance, repairs, replacements and renewals (the amount of any expenditure which is to be treated as replacements and renewals being computed in accordance with the then standard accounting practice), and excluding from such operating expenses all amounts expended or accrued for depletion or depreciation including the Depletion and Depreciation Fund hereinafter provided in Article VII and for sinking funds; by deducting from the result so obtained (1) the interest charges on all indebtedness and obligations of Subsidiary Companies (other than Subsidiary Mortgagor Companies) which are not secured by a lien or encumbrance upon all or any part of the properties of such Subsidiary Companies and are not pledged hereunder, and (2) the interest charges on all indebtedness and obligations of Subsidiary Companies (other than Subsidiary Mortgagor Companies) which are secured solely by lien upon petroleum or petroleum products above ground in storage, and (3) the amount of any dividends accrued or accumulated during such period (whether paid or not) on the preferred stock of any Subsidiary Company (other than Subsidiary Mortgagor Companies) outstanding and not owned by the Company or by another Subsidiary Company; provided, however, that in making such calculation there shall not be included either as receipts or as charges, any payment or credit by the Company to any Subsidiary Company or by any Subsidiary Company to the Company or to any other Subsidiary Company or any other

intercorporate transaction between the Company and/or any Subsidiary Companies, excepting dealings in petroleum or gas or their products or other merchandise or commodities in the regular course of their respective businesses and in normal or current amounts or quantities and at current prices; and if any such intercorporate dealings in petroleum or gas or their products or other merchandise or commodities shall be included to a substantial extent in any such calculation of such combined net earnings, then such calculation shall also include the revaluation of the inventories of the Company and its Subsidiary Companies at current market prices.

The combined annual interest charges of the Company and of the Subsidiary Companies shall be determined by adding together the annual interest charges upon

(a) All obligations, outstanding at the date of the report required under the provisions of paragraph A of Section 8 of this Article, of the Subsidiary Companies (other than Subsidiary Mortgagor Companies) not pledged hereunder, which are secured by a lien or encumbrance upon all or any part of the properties of such Subsidiary Companies, other than obligations secured solely by lien upon petroleum or petroleum products above ground in storage.

(b) All obligations, outstanding at the date of the report required under the provisions of paragraph A of Section 8 of this Article, of the Company and Subsidiary Mortgagor Companies (other than obligations secured solely by lien upon petroleum or petroleum products above ground in storage) secured by a lien or encumbrance upon all or any part of the properties of the Company or of any Subsidi-

ary Mortgagor Company, which said lien or encumbrance shall rank on a parity with or prior to the lien hereof.

(c) The Bonds theretofore authenticated hereunder and not retired by the date of the report required under the provisions of paragraph A of Section 8 of this Article, and the Bonds for the authentication and delivery of which such application is made, and all Bonds which shall not have been authenticated and delivered but the authentication and delivery whereof shall have been requested and to the authentication and delivery of which the Company shall be entitled.

In the case of any Subsidiary Company in which the Company has less than a 98% interest, as hereinafter defined, there shall be included in the above calculations only such percentage of the gross revenue, operating expenses, interest charges and preferred dividends of such Subsidiary Company as is equal to the percentage of such interest.

Provided no Additional Bonds may be authenticated and delivered unless the Company shall have, prior to the application for authentication and delivery of Additional Bonds, made application for the authentication of Bonds to the full extent that it is entitled at the date of the report required by the provisions of paragraph A of Section 8 of this Article to have authenticated under Section 7 of this Article.

SECTION 3. The term "Subsidiary Company", whenever used in this Indenture, shall be construed to mean a corporation, a majority (or such greater amount as may be necessary to ensure voting control, *i. e.*, sufficient to elect a majority of the Board of Directors and

to amend the By-Laws) of the outstanding stock (having voting power) of which is owned by the Company either directly, or indirectly through another Subsidiary Company or Subsidiary Companies, and then only if the total outstanding stock (having voting power) is not less than one-third ($\frac{1}{3}$) of the total outstanding stock of all classes of such corporation, but if such corporation shall have outstanding stock without any nominal or par value, in such case only if the outstanding stock (having voting power) is not less in value than one-third ($\frac{1}{3}$) of the fair value of the total outstanding stock of all classes of such corporation; and for all purposes of this Indenture the interest of the Company in any Subsidiary Company directly owned by the Company shall be deemed to be the percentage of the stock (having voting power) so owned. In the case of a Subsidiary Company owned indirectly through another Subsidiary Company or Subsidiary Companies, the determination of the percentage of such outstanding stock owned shall be calculated by multiplying the percentages of such stock (having voting power) owned by the successive parent companies; and the result of such calculation shall be deemed to be the interest which the Company has in such Subsidiary Company for all the purposes of this Indenture.

No corporation shall be deemed to be a Subsidiary Company, irrespective of the percentage of direct or indirect ownership, unless its business shall be related to or its product useful for the business of the Company or its other Subsidiary Companies.

The term "Subsidiary Mortgagor Company", or the plural of that term, whenever used in this Indenture, shall include any or all of the parties of the second part to this Indenture.

The term "Subsidiary Companies" shall include the Subsidiary Mortgagor Companies, unless expressly excluded.

SECTION 4. \$12,183,500 principal amount of the Bonds authorized to be issued under this Indenture, hereinafter called the Reserved Bonds, shall be reserved for the retirement of the Underlying Bonds described in this Section, and may be issued as all or a part of such Series, other than Series "A", as the Company may determine. The Bonds so reserved may from time to time be executed by the Company and delivered to the Trustee and shall forthwith upon such delivery be authenticated by the Trustee and delivered in accordance with the order or orders of the Company evidenced by a writing or writings signed by its President or a Vice-President and Treasurer or Assistant Treasurer, but, so long as any Bonds of Series "A" are outstanding, only when accompanied by the documents specified in Section 9 of this Article, and after the retirement after November 30, 1921, either at or before maturity and whether through operation of the respective sinking funds provided for in the mortgages securing such Underlying Bonds or otherwise, of an equal principal amount of such Underlying Bonds.

The terms "Underlying Bonds" and "Underlying Mortgages" as used in this Indenture shall mean the following bonds and mortgages:

1. \$7,400,000 principal amount First Mortgage and Collateral Trust Sinking Fund Six Per Cent. Gold Bonds of Empire Gas and Fuel Company, dated May 1, 1916, due May 1, 1926, secured by a certain indenture dated May 1, 1916, given by said company to Bankers Trust Company as Trustee.

2. \$4,783,500 First Mortgage and Collateral Trust Ten Year Sinking Fund Six Per Cent. Gold Bonds of

Empire Refining Company, dated February 1, 1917, due February 1, 1927, secured by a certain indenture dated February 1, 1917, given by said company to Guaranty Trust Company of New York, Trustee.

SECTION 5. All remaining Bonds authorized to be issued hereunder other than those authorized to be issued under Sections 1, 2 and 4 of this Article II, and hereinafter called the Residue Bonds, may from time to time (unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing) be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered in accordance with the order or orders of the Company evidenced by a writing or writings signed by its President or Vice-President and Treasurer or Assistant Treasurer, but, so long as any Bonds of Series "A" are outstanding, only if accompanied by the documents specified in Section 10 of this Article, and only

1. If after November 30, 1921 (or, in the case of Subsidiary Companies which became such subsequent to November 30, 1921, after the date of acquisition) the Company or any Subsidiary Company shall have acquired any additional oil and/or gas fixed property (including therein what are commonly known in the oil industry as oil and/or gas leases and interests and royalties in such leases) ; or shall have made any cash expenditures for well-drilling which are hereafter included in the term "additions"; or

2. If after November 30, 1921 (or, in the case of Subsidiary Companies which became such subsequent to November 30, 1921, after the date of acquisition), the

Company or any Subsidiary Company shall have acquired any additional fixed property useful or necessary to their business other than that specified in the preceding Subdivision (1) or shall have made any permanent improvements, extensions or additions to their respective properties other than as specified in the preceding Subdivision (1); or

3. If after November 30, 1921 (or, in the case of Subsidiary Companies which became such subsequent to November 30, 1921, after the date of acquisition) the Company or any Subsidiary Company in which the Company shall have at least a ninety-five per cent. interest shall have acquired any shares of stock, bonds, notes and other obligations (hereinafter called securities) of any corporation not theretofore a Subsidiary Company, and which upon such acquisition has become a Subsidiary Company.

The additional property, permanent improvements, extensions, additions, or securities, described in the preceding Subdivisions 1, 2 and 3 (hereinafter in this paragraph called property) shall not include (a) property acquired or constructed as substituted property under the provisions of this Indenture, or of the Underlying Mortgages or of any mortgages of any Subsidiary Company (other than a Subsidiary Mortgagor Company) or of any mortgages of the Company or of any Subsidiary Mortgagor Company, the lien of which is prior to the lien hereof, with reference to the release of property from the lien hereof or thereof or property acquired with the proceeds of any property so released, (b) property acquired with insurance moneys received in payment of losses, (c) property acquired from any Subsidiary Company, (d) property constructed or acquired as replacements or renewals, except to the extent permitted by

standard accounting practice at the time, (e) property used by the Company as a basis for obtaining payment from the Trustee of money deposited with the Trustee under any of the provisions of this Indenture, or from the trustees under the Underlying Mortgages or the mortgagees under any mortgage of any Subsidiary Company (other than a Subsidiary Mortgagor Company) or of any mortgages of the Company or of any Subsidiary Mortgagor Company, the lien of which is prior to the lien hereof, of moneys deposited with any of them under any of the provisions of such mortgages, (f) property constructed or acquired in compliance with the requirements of the Depletion and Depreciation Fund provided for in Article VII, or (g) property constructed or acquired in compliance with the requirements of the sinking fund for series other than Series "A" as provided in Section 11 of Article V. The property described in (a) to (g), inclusive, above, to be excluded, shall only be excluded to the extent that the same has been constructed or acquired or used as a basis for the purposes set forth in (a) to (g), inclusive.

SECTION 6. So long as any Bonds of Series "A" are outstanding, Residue Bonds may be issued under Section 5 of this Article from time to time only upon and subject to the following conditions and restrictions:

1. Residue Bonds may be authenticated and delivered for an amount of principal equal to not more than 50% of the actual cost or fair value (whichever shall be less) to the Company or to a Subsidiary Company of the property described in Subdivision 1 of Section 5 of this Article and to not more than 50% of the actual cash cost of additions of the kind described in such Subdivision; and for an amount of principal equal to not more than 65% of the actual cost or fair value (whichever shall be less)

to the Company or to a Subsidiary Company of additional property, permanent improvements, extensions or additions of the kind described in Subdivision 2 of Section 5 of this Article; and for an amount of principal equal to not more than 50% of the actual cost or fair value (whichever shall be less) to the Company or to a Subsidiary Company of securities of the kind described in Subdivision 3 of Section 5 of this Article, if more than one-half in value of the assets of the corporation whose securities are being acquired consists of oil or gas property described in Subdivision 1 of Section 5 of this Article; and for an amount of principal equal to not more than 65% of the actual cost or fair value (whichever shall be less) to the Company or to a Subsidiary Company of such securities, if less than one-half in value of the assets of the corporation whose securities are being acquired consists of oil or gas property described in Subdivision 1 of Section 5 of this Article.

Provided that Bonds may be issued to the full extent permitted by this Subdivision 1 only if all such additional property, permanent improvements, extensions or additions shall be free and clear of all liens and encumbrances except the Underlying Mortgages, Farm Mortgages, current taxes and liens securing indebtedness pledged with the Trustee under this Indenture and only if all corporations whose securities shall be acquired shall have their property free and clear of all liens and encumbrances except as hereinbefore enumerated and only if such corporations shall also have outstanding no preferred stock, except preferred stock which shall have been pledged with the Trustee.

2. In case the property, improvements, extensions or additions described in Subdivisions 1 and 2 of Section 5 of this Article should be subject to any lien or encumbrance other than those specified in Subdivision 1 of this

Section 6, the actual cost of such property, improvements, extensions or additions within the meaning of said Subdivision 1 of this Section 6 shall be deemed to be the sum of the amounts paid by the Company or a Subsidiary Company for the property so subject to such lien and for the permanent improvements, extensions or additions thereto, together with the face amount of the indebtedness secured by any such lien; and Bonds may be authenticated and delivered on account of said property, permanent improvements, extensions or additions to an amount at par value equal:

(a) to the extent, if any, which 50% or 65% (whichever percentage is applicable), of the actual cost of said property, permanent improvements, extensions or additions as above defined, exceeds the face amount of such indebtedness, or

(b) to the extent, if any, which 50% or 65% (whichever percentage is applicable), of the fair value of such property, permanent improvements, extensions or additions other than additions of the nature described in Subdivision 1 of Section 5 of this Article (without any deduction for such indebtedness) plus 50% of the cost of any additions of the nature described in such last mentioned Subdivision, exceeds the face amount of such indebtedness,

whichever shall be less;

Provided, however, that whenever the Company has once made application for the authentication and delivery of Residue Bonds under this Subdivision 2 of this Section 6 against property, improvements, extensions or additions subject to such lien, thereafter, upon any subsequent application for the authentication and delivery

of additional Residue Bonds against further improvements, extensions or additions to the property subject to such lien, the amount of Residue Bonds which the Company shall be entitled to have authenticated and delivered shall be determined in accordance with the provisions of Subdivision 1 of this Section 6 and not in accordance with this Subdivision 2 of this Section 6;

And provided further, that if any Residue Bonds shall have been authenticated and delivered pursuant to this Subdivision 2 of this Section 6, thereafter upon the subsequent payment of all or any part of the indebtedness so secured and so taken into consideration in computing the amount of Residue Bonds which may be authenticated and delivered, the Company shall be entitled to have authenticated and delivered an amount of Residue Bonds equal to the principal amount of such indebtedness so paid.

3. In case any securities described in Subdivision 3 of Section 5 of this Article shall be of a corporation any of whose property is subject to any lien or encumbrance other than those specified in Subdivision 1 of this Section or which corporation shall have outstanding at the time of its acquisition any preferred stock (except such preferred stock as shall be pledged with the Trustee), the actual cost of such securities within the meaning of said Subdivision 1 shall be deemed to be the sum of the amounts paid by the Company or a Subsidiary Company for such securities, together with the face amount of the indebtedness secured by any such lien and together with the aggregate par value of the outstanding preferred stock other than that pledged with the Trustee—the sum of such two items being hereafter in this Subdivision termed “indebtedness”; and bonds may be authenticated on account of the acquisition of such securities to an amount at par value equal:

(a) to the extent, if any, which 50% or 65% (whichever percentage is applicable), of the actual cost of said securities as above defined, exceeds the face amount of such indebtedness as above defined, or

(b) to the extent, if any, which 50% or 65% (whichever percentage is applicable), of the aggregate of the fair value of such securities plus the face amount of such indebtedness as above defined, exceeds the face amount of such indebtedness as above defined,

whichever shall be less;

Provided, however, that if any Residue Bonds shall have been authenticated and delivered pursuant to this Subdivision 3 of this Section 6, thereafter upon the subsequent payment of all or any part of the indebtedness as above defined and so taken into consideration in computing the amount of Residue Bonds which may be authenticated and delivered, the Company shall be entitled to have authenticated and delivered an amount of Residue Bonds equal to the principal amount of such indebtedness so paid. The term "payment of such indebtedness" shall include retirement of preferred stock.

4. In case any Subsidiary Company in which the Company has less than a 95% interest shall acquire any additional property or make any permanent improvements, extensions or additions, Residue Bonds may be authenticated and delivered to such percentage of the amount of Residue Bonds which could otherwise be authenticated and delivered as is equal to the percentage of the interest of the Company in such Subsidiary Company computed as provided in Section 3 of this Article;

Provided, however, that if any such Subsidiary Company shall pledge under this Indenture its demand mort-

gage bonds to an amount at face value equal to the actual cost of the additional property, permanent improvements, extensions or additions, Residue Bonds may be authenticated and delivered without being subject to the restrictions contained in this paragraph 4.

5. In case any property shall be acquired or any improvements, extensions or additions shall be made by any Subsidiary Company hereafter acquired, Residue Bonds may be authenticated as provided in Subdivision 1 or 2 of this Section whichever is applicable for such property, improvements, extensions or additions, only if (a) Residue Bonds have been theretofore or shall be simultaneously authenticated pursuant to Subdivision 3 of this Section 6 against the securities of such corporation or (b) 50% or 65% (whichever is applicable) of the total of (1) the fair value of the securities of such corporation owned by the Company or a Subsidiary Company (without including for the purpose of ascertaining such value the property, improvements, extensions or additions against which Residue Bonds are then being requested to be authenticated) plus (2) the face amount of the indebtedness of such corporation (as such term is defined in Subdivision 3 of this Section), equals or exceeds the face amount of such indebtedness.

Provided, however, that whenever the Company has once made application for the authentication of Residue Bonds and has complied with the provisions of this Subdivision 5 of this Section 6, thereafter upon any subsequent application for the authentication of additional Residue Bonds against further property, improvements, extensions or additions of such corporation, the amount of Residue Bonds which the Company shall be entitled to have authenticated shall be determined in accordance with the provisions of Subdivisions 1 or 2 of this Section 6 whichever are applicable.

6. No Residue Bonds may be authenticated and delivered pursuant to the provisions of Sections 5 and 6 of this Article unless the Company shall have, prior to the application for authentication and delivery of Residue Bonds, made application for the authentication of Bonds to the full extent that it is entitled at the time to have authenticated under Section 7 of this Article.

7. No Residue Bonds may be authenticated and delivered except subject to the same earnings restrictions as are set forth in Section 2 of this Article with reference to Additional Bonds.

8. No Residue Bonds may be authenticated and delivered on account of the acquisition by the Company subsequent to November 30, 1921, but prior to the date of execution hereof, of the shares of stock of Kansas Natural Gas Company; but Residue Bonds may be authenticated and delivered on account of property, improvements, extensions or additions acquired, or made by Kansas Natural Gas Company since November 30, 1921.

9. Upon any application for the authentication and delivery of Residue Bonds the fair value of the property, improvements, extensions or additions and/or securities used as the basis for such application shall be determined by aggregating the fair value of all items so used.

SECTION 7. Bonds of any series other than Series "A", authorized to be issued hereunder, may, from time to time (unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and either of such be then continuing) be executed by the Company and delivered to the Trustee, and shall be authenticated by the Trustee and delivered in accordance with the order or orders of the Company

evidenced by a writing or writings signed by its President or a Vice-President and Treasurer or an Assistant Treasurer, accompanied by the documents specified in Section 12 of this Article, but, so long as any Bonds of Series "A" are outstanding hereunder, only to a principal amount equal to the principal amount of Bonds of any series theretofore retired, to the extent, if any, that the amount of Bonds retired (and not previously refunded pursuant to this Section) shall exceed (a) an amount equal to the principal amount of the Bonds of that series that may have been theretofore paid off by a sinking fund (provided, however, this latter amount shall not exceed such amount as would have been retired by a sinking fund retiring Bonds at the rate of one-twenty-fifth in each year of the greatest amount of that series which shall ever have been outstanding), plus (b) an amount equal to the principal amount of all Bonds of such series which may have been purchased or redeemed pursuant to Section 3 of Article IX hereof and/or Article X hereof and/or Article VII hereof.

Provided, however, that in determining the amount of Bonds which may be authenticated under this Section 7, there shall not be taken into account any Bonds retired pursuant to the provisions of Section 14 of Article II hereof, unless the situation occasioning such excess shall have been theretofore remedied.

Provided further that if the Company is entitled to have authenticated Bonds under this Section 7 and also under Sections 2 or 5 and 6 of this Article, the Company, upon any application for the authentication of Bonds, shall request such authentication of Bonds under the provisions of this Section 7, to the full extent that it is entitled thereto, before requesting the authentication of any Bonds pursuant to the provisions of Sections 2 or 5 and 6 of this Article.

Provided, further, that the amount of bonds which the Company is entitled to have authenticated under this Section 7 is subject to the provisions of Section 3 of Article IX.

SECTION 8. The Additional Bonds authorized to be authenticated and delivered under Section 2 of this Article II, shall be authenticated and delivered only upon receipt by the Trustee of:

A. A report signed by the President or a Vice-President, and the Treasurer or an Assistant-Treasurer of the Company and by an accountant, who may be an accountant regularly employed by the Company, setting forth the amount of the combined net earnings of the Company and of the Subsidiary Companies for either of the three periods specified in Subdivisions (a), (b) and (c) first appearing in Section 2 of this Article II, showing how the same have been calculated, and to that end specifying the operating and non-operating revenues, and also setting forth the annual interest charges, such combined net earnings and annual interest charges to be computed as defined in said Section 2 of this Article II. Said report shall show that the combined net earnings as thus determined comply with the requirements set forth in said Section 2, and shall state all other matters required by the Trustee to show compliance with the provisions of this Article necessary to entitle the Company to the authentication and delivery of the Bonds requested. Said report shall also state that the Company is not to the knowledge of the signers in default in the performance of any of the terms or covenants of this Indenture; or that the only default is one other than one of those enumerated in clauses (a), (b) and (c) of Section 1 of Article XI, and that such default has not continued for the period, if any, in said Section specified.

Such report shall also state that the Company has, prior to the application for authentication and delivery of Bonds of which said report is a part, made application for the authentication of Bonds to the full extent that it was at the date of said report entitled to have authenticated under Section 7 of this Article.

B. A copy of a resolution of the Board of Directors of the Company certified by the Secretary or an Assistant Secretary of the Company authorizing the issue and requesting the authentication and delivery of the Bonds and designating the amount and the series thereof;

C. An opinion of counsel (who may be of counsel to the Company), selected by the Board of Directors of the Company, and approved by the Trustee, to the effect that there has been obtained the consent of any governmental authority, the consent of which is a legal requisite to the issuance of such Bonds by the Company, or that no such consent is necessary;

D. Certificates as required by Section 2 of Article VI representing the maximum number of shares of Eight Per Cent. Cumulative Preferred Stock of the Company into which the Bonds whose authentication and delivery is requested may be convertible according to the rate of conversion determined as hereinafter provided in Article VI.

SECTION 9. So long as any Bonds of Series "A" are outstanding, Reserved Bonds authorized to be issued under Section 4 of this Article shall be authenticated and delivered only upon receipt by the Trustee of the documents described in paragraphs B and C of the preceding Section 8, and:

E. If the Bonds the authentication and delivery of which is requested are to be of a series not theretofore created the resolution specified in B shall designate the new series, shall specify the amount of such series, the date, the maturity, the interest rate, the denominations, the substantial form of the bonds, and all other particulars necessary completely to describe and define such new series within the provisions and limitations of this Indenture, and in the case of such new series there shall also be delivered to the Trustee a supplemental indenture in form satisfactory to the Trustee, duly executed by the Company, and such of the Subsidiary Mortgagor Companies as are then in existence, setting forth the terms and provisions of such new series in accordance with Section 4 of Article I hereof, which supplemental indenture shall be executed by the Trustee prior to the issuance of any Bonds of such new series.

F. A certificate of the trustee under the mortgage securing the Underlying Bonds to be refunded, in form satisfactory to the Trustee hereunder, certifying that after November 30, 1921, an amount to be stated in such certificate of the bonds secured by such underlying mortgage has been retired through operation of the sinking fund of such mortgage, or otherwise, or due provision made therefor.

SECTION 10. So long as any Bonds of Series "A" are outstanding the Residue Bonds to be issued under Sections 5 and 6 shall be authenticated and delivered only upon receipt by the Trustee of:

(1) In the case of the issue of Bonds against additional property, permanent improvements, extensions or additions of the Company or the Subsidiary Mortgagor Companies, in addition to the

documents described in paragraphs A, B, C and E of Sections 8 and 9:

G. A statement signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating with reasonable details of description and actual cost or actual cash cost whichever is applicable that in addition to the properties as existing on November 30, 1921 (or in the case of Subsidiary Companies which became such subsequent to November 30, 1921, as existing on the date of acquisition) of the Company and its Subsidiary Companies, the Company or a Subsidiary Company has acquired additional property or constructed permanent improvements, extensions or additions of the nature described in Subdivisions 1 and/or 2 of Section 5 of this Article, and stating further whether such additional property, improvements, extensions or additions are of the nature described in Subdivisions 1 or 2 of Section 5 of this Article, and stating further that said property, improvements, extensions or additions do not include any described in clauses (a), (b), (c), (d), (e), (f) and (g) of Section 5 of this Article, and stating further that neither the Company nor any such Subsidiary Company has been reimbursed for any part of such actual cost in Bonds issued under this Indenture, or in the alternative stating to what extent the Company or any Subsidiary Company has been so reimbursed, and if the Company or any Subsidiary Company has been so reimbursed to any extent whatsoever, stating that the property included in such statement, which has theretofore been included in any previous statement used for the authentication of Bonds, does not appear in the statement then being made or the certificate then being furnished pursuant to paragraph H at a greater value than in any such previous statement, and stating further

whether the title of the Company or such Subsidiary Company to such property, improvements, extensions or additions is subject to any lien or encumbrances thereon or affecting the title thereto prior to this Indenture, except current taxes, Underlying Mortgages, Farm Mortgages and liens securing indebtedness pledged with the Trustee, and stating further whether any such property, improvements, additions or extensions are of the nature described in Section 3 of Article IX, and if so specifying the same, and stating separately the actual cost thereof, and stating further the names of any of the Subsidiary Companies mentioned in the statement, which have been acquired since the date of the execution of this Indenture.

H. A certificate signed by some engineer deemed by the Trustee to be an engineer of good standing and reputation—who may be an engineer in the employ of the Company—stating that personally or through one or more competent assistants, he has examined the additional property and permanent improvements, extensions and additions specified in said statement referred to in paragraph G (other than additions in the form of well drilling), and has considered the same in relation to the business of the Company or of the particular Subsidiary Company which has acquired or made them, and that in his judgment the aggregate fair value of such additional property and permanent improvements, extensions and additions as of a date not more than 90 days prior to the application for authentication of Bonds is, for the purposes of the Company, a certain sum stated (and if any of such property, improvements, extensions or additions are of the nature described in Section 3 of Article IX, stating the fair value of such property separately) which sum does not include the cost or value of any repairs, replacements or renewals necessary to keep the plant and property of the Company or of any such Sub-

sidiary Company in satisfactory operative condition, except as provided in Clause (d) of Section 5 of this Article.

I. If the statement referred to in paragraph G states that any part of the property, improvements, extensions and additions therein specified is subject to any lien or encumbrance other than those therein excepted, and if no Residue Bonds have theretofore been authenticated pursuant to Subdivision 2 of Section 6 against the property, improvements, extensions or additions subject to any such lien or encumbrance, in such case the statement specified in paragraph G should further state with reasonable details of description, the property, improvements, extensions or additions subject to such lien or encumbrance, the nature of such lien or encumbrance, the total amount of the indebtedness secured by such lien or encumbrance, the actual cost of the property subject to such lien or encumbrance and of any improvements, extensions and additions thereto, and the certificate specified in paragraph H should also state the fair unencumbered value of all the property, improvements, extensions and additions subject to such lien or encumbrance.

J. Such instruments of conveyance, assignment and transfer as may be necessary in the opinion of counsel (who may be counsel to the Company) selected by the Company and approved by the Trustee, to vest in the Trustee to hold as part of the mortgaged property hereunder all the right, title and interest of the Company or the Subsidiary Mortgagor Company (whichever owns the same) in and to the property with respect to which the authentication of Bonds shall be requested, or the opinion of such counsel that no such instruments are necessary for such purpose.

K. The opinion of counsel (who may be counsel to the Company) selected and approved in the manner provided in J above, to the effect that the Company or a Subsidiary Company has title to such property subject to no deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto prior to this Indenture, except current taxes, Underlying Mortgages, Farm Mortgages, and liens securing indebtedness pledged with the Trustee unless the statement referred to in paragraph G states that there are other liens or encumbrances upon such property, extensions, improvements or additions and in such case, unless Residue Bonds shall have been theretofore authenticated on account of property subject to such lien, the opinion of such counsel shall add as an additional exception the amount of the indebtedness stated in the statement referred to in paragraph G and shall further set forth that the lien or encumbrance securing such indebtedness covers only the property described in such statement as being covered thereby.

(2) In the case of the issue of Bonds against additional property, permanent improvements, extensions or additions of any Subsidiary Company (other than a Subsidiary Mortgagor Company) in which the Company has at least a 95% interest, in addition to A, B, C, E, G, H, I and K,

L. Either Demand Notes of such Subsidiary Company in an amount at face value or Stock of such Subsidiary Company in an amount at par value equal to at least 200% of the principal amount of Bonds to be issued hereunder if issued pursuant to Subdivision 1 of Section 5 of this Article, or equal to at least 154% of the principal amount of Bonds to be issued hereunder if issued pursuant to Subdivision 2 of said Section.

In case the provisions of the Underlying Mortgages shall require the deposit of such Notes or Stock with the trustees of either of said mortgages, the Trustee may receive in lieu of such Notes or Stock a certificate of either of the trustees under such Underlying Mortgages, certifying that the deposit of such Notes or Stock with said trustee is required by the terms of said mortgage and further certifying that they have been so deposited and specifying the amounts so deposited.

Provided, however, that in the case of the issuance of such Demand Notes or Stock by any corporation which is not a Subsidiary Company at the time of the execution of this Indenture but which shall hereafter become such, such Notes or Stock may not be issued out of the surplus of such Subsidiary Company existing at the time of its acquisition, but may only be issued out of earnings accrued to, or for value received by, such Subsidiary Company subsequent to the date of acquisition; and in the case of the issuance of such Demand Notes or Stock by any such corporation, the report required by Paragraph A of Section 8 of this Article shall also state that the requirements of this proviso have been complied with.

M. An opinion of counsel, who may be counsel to the Company, selected and approved in the manner provided in J above to the effect that the Notes or Stock of such Subsidiary Company deposited in accordance with the requirements of Paragraph L above have been validly issued and that the title to such Notes or Stock is vested in the Trustee free and clear of all liens prior to the lien of this Indenture, except the Underlying Mortgages if the lien thereof should extend to such Notes or Stock.

N. A certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer

of the Company stating that the Company has at least a 95% interest (as such term is defined in Section 3 of this Article) in the Subsidiary Company, the Notes or Stock of which have been deposited in accordance with the requirements of Paragraph L above.

O. A certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating (a) either that the Subsidiary Company which has acquired such additional property or made such improvements, extensions or additions is not one acquired after the date of the execution of this Indenture, or (b) in the alternative, that it has been thereafter acquired but that Residue Bonds have theretofore been issued against the securities of such corporation pursuant to Subdivision 3 of Section 6 of this Article, or pursuant to Subdivisions 1 or 2 of Section 6 of this Article on account of additional property, improvements, extensions or additions of such corporation, or (c) in the alternative, that it has been thereafter acquired and stating the amount of the indebtedness of such corporation as such term is defined in Subdivision 3 of Section 6 of this Article, and in such case the certificate required by Paragraph H above shall further state the value of the securities of such Subsidiary Company owned by the Company or any other Subsidiary Company, without including in such valuation the property, improvements, extensions or additions against which Residue Bonds are being authenticated.

(3) In the case of the issue of Bonds against additional property, permanent improvements, extensions and additions of a Subsidiary Company in which the Company has less than a 95% interest, in addition to A, B, C, E, G, H, I, K and O,

Either L, M, and

P. A statement signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating the percentage of the interest of the Company in such Subsidiary Company computed in accordance with Section 3 of this Article, and showing that the amount of Bonds of which authentication is requested does not exceed the amount permitted to be issued under Subdivision 4 of Section 6 of this Article.

Or, in lieu of L, M, and P,

Q. Demand Mortgage Bonds of such Subsidiary Company in an amount at face value at least equal to 200% of the principal amount of Bonds to be issued hereunder if issued pursuant to Subdivision 1 of Section 5 of this Article, or at least equal to 154% of the principal amount of Bonds to be issued hereunder if issued pursuant to Subdivision 2 of said Section.

In case the provisions of the Underlying Mortgages shall require the deposit of such bonds with the trustees of either of said mortgages, the Trustee may receive in lieu of such bonds, a certificate of either of the trustees under such Underlying Mortgages, certifying that the deposit of such bonds with said trustee is required by the terms of said mortgage and further certifying that they have been so deposited and specifying the amounts so deposited.

Provided, however, that in the case of the issuance of such bonds by any corporation which is not a Subsidiary Company at the time of the execution of this Indenture but which shall hereafter become such, such bonds may not be issued out of the surplus of such Subsidiary Company existing at the time of its acquisition, but may only be issued out of earnings accrued to, or for value received by, such Subsidiary Company subsequent to the date of

acquisition; and in the case of the issuance of such bonds by any such corporation, the report required by Paragraph A of Section 8 of this Article shall also state that the requirements of this proviso have been complied with.

R. An opinion of counsel, who may be counsel to the Company, selected and approved in the manner provided in J above to the effect that the bonds of such Subsidiary Company deposited in accordance with the requirements of paragraph Q above have been validly issued and are secured by a mortgage upon the property described in the statement furnished in accordance with paragraph G and that the title to such bonds is vested in the Trustee free and clear of all liens prior to the lien of this Indenture, except the Underlying Mortgages if the lien thereof should extend to such Bonds. Such opinion shall further state that the terms of said mortgage are such as in all respects to afford to the holders of bonds issued and outstanding thereunder as prompt, effective and efficient a remedy as afforded by this Indenture to the holders of Bonds outstanding hereunder and that such mortgage in its substantial provisions is equivalent to and not less favorable to the holders of bonds outstanding thereunder than the provisions of Articles III, IX, X and XI of this Indenture; provided that the opinion of counsel as to such further matters once given with respect to a particular mortgage of a Subsidiary Company need not be furnished upon subsequent application.

(4) In the case of the issue of Bonds against securities as provided in Subdivision 3 of Section 5 of this Article, in addition to A, B, C and E,

S. A statement signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer

of the Company stating that after November 30, 1921 (or in the case of Subsidiary Companies which became such subsequent to November 30, 1921, after the date of acquisition) the Company, or a Subsidiary Company in which the Company shall have at the time at least a ninety-five per cent. interest, has acquired shares of stock, bonds, notes or other obligations (hereinafter called securities) of any corporation not theretofore a Subsidiary Company and which upon such acquisition has become a Subsidiary Company and stating the actual cost thereof and stating further what portion of the assets of such Subsidiary Company consists of oil or gas property described in Subdivision 1 of Section 5 of this Article, and stating further that such securities do not include any described in Clauses (a), (b), (c), (d), (e), (f) and (g) of Section 5 of this Article and stating further that neither the Company nor any such Subsidiary Company has been reimbursed for any part of such actual cost in Bonds issued under this Indenture, or in the alternative stating to what extent the Company or any Subsidiary Company has been so reimbursed, and if the Company or any Subsidiary Company has been so reimbursed to any extent whatsoever, stating that the securities included in such statement, which have theretofore been included in any previous statement used for the authentication of Bonds, do not appear in the statement then being made or the certificate then being furnished pursuant to paragraph T at a greater value than in any such previous statement, and stating further whether the corporation whose securities have been acquired has all its property free and clear of all liens and encumbrances except current taxes, Underlying Mortgages, Farm Mortgages and liens securing indebtedness to be pledged with the Trustee, and whether such corporation has outstanding any preferred stock, except preferred

stock to be pledged with the Trustee, and stating further whether any of the property of such corporation is of the nature described in Section 3 of Article IX and if so specifying the same and stating the proportion which such property is of the entire property represented by such securities and stating further the amount of outstanding stock of all classes of the corporation whose securities have been acquired and showing that the same has or simultaneously will become a Subsidiary Company as such term is defined in Section 3 of this Article.

T. A certificate signed by some expert deemed by the Trustee to be competent for the purpose—who may be in the employ of the Company—stating that personally or through one or more competent assistants he has examined the property and assets of such corporation and that in his judgment the fair value of the securities of such corporation acquired by the Company or a Subsidiary Company, as of a date not more than ninety days prior to the application for authentication of bonds, is, for the purposes of the Company a certain sum stated.

U. If the statement referred to in Paragraph S states that any portion of the property of the corporation whose securities have been acquired is subject to any lien or encumbrance other than therein excepted or that such corporation has outstanding any preferred stock other than therein excepted, the statement referred to in Paragraph S should further state the face amount of all indebtedness secured by any such lien upon the property of such corporation, and the aggregate par value of the outstanding preferred stock other than that pledged with the Trustee.

V. The securities against the acquisition of which authentication of Bonds is requested, together with such

instruments of transfer thereof duly executed as may be necessary in the opinion of counsel, who may be counsel to the Company, selected and approved in the manner provided in J above, to vest the title to such securities in the Trustee free and clear of all liens prior to the lien of this Indenture except the Underlying Mortgages if the lien thereof should extend to such securities, together with the opinion of such counsel to the effect that they have examined such securities and all proceedings relative to their issue and that such securities have been properly authorized and executed and that the corporation issuing such securities is validly organized and has corporate power to issue the same and that such securities have been validly issued and that such corporation has valid title to the property which it purports to own, free from all liens and encumbrances other than set forth in the statement required to be furnished pursuant to Paragraph U, and that said corporation has no preferred stock other than as in such statement set forth and that the amount of outstanding stock of all classes of such corporation is as stated in the statement required to be furnished in accordance with Paragraph S.

In case the provisions of either of the Underlying Mortgages shall require the deposit of such securities with the trustee of such mortgage, the Trustee may receive in lieu of such securities a certificate of such trustee certifying that the deposit of such securities with said trustee is required by the terms of said mortgage, and further certifying that they have been so deposited and specifying the amount so deposited.

(5) In the case of the issue of Bonds against indebtedness taken into consideration pursuant to Subdivisions 2 and 3 of Section 6 of this Article as therein provided, in addition to A, B, C and E,

W. A certificate signed by the President or Vice-President, and Treasurer or Assistant Treasurer of the Company stating that indebtedness of the Company or a Subsidiary Company has been paid of a stated amount and that such indebtedness is of the nature described in the last paragraphs of Subdivisions 2 and/or 3 of Section 6 of this Article (as indebtedness is therein defined) which has been included in a previous statement filed with the Trustee as required in Paragraph I or Paragraph U of this Section and specifying the statements setting forth such indebtedness and further stating the facts necessary for the computation of the principal amount of Bonds then being requested to be authenticated.

X. Proof satisfactory to the Trustee of the payment of such indebtedness, including in such term retirement of preferred stock.

SECTION 11. Upon the retirement of all of the Bonds of Series "A", thereafter Reserved Bonds and/or Residue Bonds to be issued under Sections 4, 5 and 6 of this Article shall be authenticated and delivered only upon receipt by the Trustee of B, C and E and the receipt of such other certificates, resolutions or statements as may be required by the terms of any indenture hereafter authorized supplemental hereto.

SECTION 12. The Bonds authorized to be issued under Section 7 of this Article shall be authenticated and delivered only upon receipt by the Trustee of B, C and E, and of:

Y. The surrender for cancellation or evidence satisfactory to the Trustee of the retirement of Bonds outstanding of any series theretofore issued hereunder, with all unmatured coupons appertaining thereto, and proof

satisfactory to the Trustee of the cancellation of matured coupons or of the loss or destruction of any Bonds or coupons and indemnity satisfactory to the Trustee against any claim or liability on account thereof, and

Z. A certificate signed by the President or the Vice-President and the Treasurer or an Assistant Treasurer of the Company, stating that the Company is not, to the knowledge of the signers, in default in the performance of any of the terms or covenants of this Indenture, or that the only default is one other than one of those enumerated in clauses (a), (b) and (c) of Section 1 of Article XI, and that such default has not continued for the period, if any, in said Section specified.

SECTION 13. The resolutions, certificates, opinions and other instruments provided for in this Article II may be accepted by the Trustee as satisfactory and conclusive evidence as to the statements therein contained, and shall be full authority and protection to the Trustee for the certification and delivery of Bonds, and the Trustee may conclusively rely upon the truth of any statement made in any such resolution, certificate, opinion or other instrument, whether such statement be required by any provision of this Article or voluntarily made; but before authenticating and delivering Bonds under this Article the Trustee in its discretion may cause to be made such independent investigation as it may see fit, and the expense thereof shall be borne by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of six per cent. per annum. The Trustee shall have no responsibility for the application or use of any Bonds or any of the proceeds thereof authenticated and delivered by it.

SECTION 14. If at any time the Company shall have caused to be secured for the Bankers an audit by inde-

pendent public accountants or an examination by independent engineers, it shall forthwith upon the receipt of the report of such accountants and/or engineers file a copy of such report or audit with the Trustee hereunder. And if it shall appear from either of such reports that the Company has requested and has received the authentication of Bonds in excess of the amount to which it was at the time of such authentication entitled, the Company shall thereupon either surrender to the Trustee a principal amount of Bonds theretofore authenticated hereunder equal to the amount of such excess, or make a deduction from its next application for the authentication of Bonds equal to such excess.

SECTION 15. No Bonds shall be issued under this Indenture for the purpose of providing funds for the Company or a Subsidiary Company to keep or maintain its property in good and business-like working order and condition, or merely to replace old and worn-out property except to the extent specified in Clause (d) of Section 5 of this Article. Permanent improvements, extensions and additions in process of construction or erection and so far as actually constructed or erected and paid for, and directly or indirectly placed under the lien of this Indenture, shall be deemed permanent improvements, extensions and additions within the meaning of this Article.

ARTICLE III.

PARTICULAR COVENANTS OF THE COMPANY.

THE COMPANY AND THE SUBSIDIARY MORTGAGOR COMPANIES JOINTLY AND SEVERALLY COVENANT AND AGREE:

SECTION 1. That they are respectively the lawful owners of the premises and property hereinbefore by them

respectively conveyed or transferred to the Trustee; that they respectively have good right and lawful authority to mortgage the same as provided in and by this Indenture; that said premises and property are free from all liens and encumbrances not hereinbefore stated; that they will warrant and defend the title thereto and the interest of the Trustee therein against all claims and demands whatsoever.

SECTION 2. That they will duly and punctually pay the principal and interest of every Bond issued hereunder at the dates and the places and in the manner mentioned in the Bonds or in the coupons thereto appertaining, respectively, according to the true intent and meaning thereof, without deduction so far as the Bonds of Series "A" are concerned, for any taxes, assessments or governmental charges (other than inheritance and succession taxes) which the Company or its agents or the Trustee may be required or permitted to pay thereon or to deduct or retain therefrom under any present or future law of the United States of America or of any state, county, municipality or other taxing authority therein, except such portion of any Federal income tax with respect to income derived from such interest as shall be in excess of two per cent. per annum of such interest. The interest on the coupon Bonds shall be payable only upon presentation and surrender of the several coupons for such interest as they respectively mature, and such coupons shall be cancelled forthwith upon the payment thereof.

SECTION 3. That upon written application the Company will also reimburse to any bearer or registered holder of any Bonds of Series "A", any personal property taxes imposed by the States of Pennsylvania and/or

of Connecticut, paid in either of said States by such bearer or registered holder to the extent of four mills per annum in each of said States, on each dollar of the principal amount thereof, and any income tax of the State of Massachusetts to the extent of six per cent. (6%) per annum on income derived from the interest paid thereon, which may be paid by such bearer or registered holder subject to the payment of any such tax by reason of the ownership thereof or the deriving of income therefrom; provided that such application shall be made to the Company within sixty days after payment of any such tax, and that such application shall be accompanied by an affidavit setting forth the ownership by the applicant of Bonds, together with the number or numbers thereof, the residence of the applicant at the time said tax was paid by him and that such tax was paid by him because of the ownership by him of such Bonds, or the deriving of income therefrom; provided further that the Company shall in no event be liable to reimburse such bearer or registered holder for any interest accrued or penalty imposed and paid in addition to the amount of said tax as originally assessed.

SECTION 4. That in order to prevent any accumulation of coupons after maturity, the Company will not, directly or indirectly, extend or assent to the extension of the time for payment of any coupon appertaining to any Bond; and the Company will not, directly or indirectly, be a party to or approve any such extension by purchasing or funding said coupons, or in any other manner. In case the time for the payment of any such coupons shall be so extended, whether or not such extension be by, or with the consent of, the Company, such coupons shall not be entitled, in case of default hereunder, to the benefit of the security of this Indenture, except subject to the prior payment in full

of the principal and interest of all the Bonds then outstanding, and of all coupons appertaining to such Bonds, the payment of which shall not have been so extended.

SECTION 5. That at all times until the payment of the principal of the bonds, the Company will maintain an office or agency, in the Borough of Manhattan in the City and State of New York, and so long as any Bonds of Series "A" are outstanding an office or agency in the City of Chicago in the State of Illinois, where the Bonds and coupons may be presented for payment of interest and where notices or demands in respect of the Bonds and coupons or of this Indenture may be served. From time to time the Company will give notice to the Trustee of the location of any such office or agency which it has covenanted to maintain or of any change of location thereof. In case the Company shall fail to maintain any such office or agency or shall fail to give notice of the location thereof or of any change of location thereof, as herein covenanted, presentation and demand may be made and notices may be served at the principal office of the Trustee in the Borough of Manhattan in the City and State of New York, but the Trustee shall be under no liability to the Company or to any other corporation, firm or person in respect of any such presentation, demand or notice. At such office or agency, in the City of New York, the Company will register, transfer and exchange any of the Bonds as by their terms and the terms of this Indenture or any supplemental indenture required.

SECTION 6. That the Company is duly authorized under the laws of the State of Delaware and all other applicable provisions of law to create and issue the Bonds and to execute this Indenture and to mortgage and pledge the property conveyed by it hereunder; that the Subsidiary

Mortgagor Companies are duly authorized under the laws of the state of their respective incorporations and all other applicable provisions of law to execute this Indenture and to mortgage and pledge the properties conveyed by them hereunder; that all corporate action on their part for the creation and issue of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken; and that the Bonds in the hands of holders in due course thereof are and will be valid and enforceable obligations of the Company in accordance with their terms.

SECTION 7. That they will duly pay and discharge, as the same shall become due and payable, all real estate and personal property taxes, water rates, assessments and governmental and other charges lawfully levied and imposed by the United States of America or by any State, county or municipality upon the mortgaged premises, including the franchises, earnings and business of the Company and of the Subsidiary Mortgagor Companies, as well as all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien or charge upon the trust estate or any part thereof, the lien of which would be prior to the lien hereof; and that they will not suffer any mechanic's, laborer's, statutory or other lien which might or could be held to be prior to the lien of this Indenture (other than the lien of the Underlying Mortgages and the liens permitted to be created under Section 9 of this Article) to be created or to remain outstanding upon the property described in this Indenture, or any part thereof or upon any after acquired property of the Company or any Subsidiary Mortgagor Company; and if any Subsidiary Company shall fail to pay any such taxes, rates, assessments, and charges lawfully imposed upon its property or upon the income and profits thereof, then the Company will either pay the

same or will acquire and will transfer to the Trustee the claim therefor or will make adequate provisions for the satisfaction or discharge thereof; provided however, that nothing contained in this Article shall require the Company or any Subsidiary Company to pay, acquire or make provision for such tax, assessment, lien or charge so long as the Company or such Subsidiary Company in good faith shall contest the validity thereof.

The Company or the Subsidiary Mortgagor Companies shall not and will not apply for or claim any deduction by reason of this Indenture from the taxable value of the lands and property covered or intended to be covered hereby, nor take advantage of any law hereafter passed deducting from the value of said property for the purpose of taxation the lien of this Indenture thereon, if thereby any Bondholder or the Trustee might incur any liability for any taxes.

SECTION 8. (a) That, so long as any Bonds of Series "A" are outstanding, no Subsidiary Company, other than any Subsidiary Mortgagor Company, will create or permit to be created or to have outstanding any indebtedness (contingent or otherwise) except:

(1) To the Trustee or to the Company or to another Subsidiary Company, and then only while such indebtedness is held by any of them; or

(2) Obligations in payment of the purchase price of the property hereafter acquired by said Subsidiary Company; or

(3) Indebtedness (in addition to those specified in (1) and (2)) maturing in one year or less from the date thereof, and incurred for current operating expenses, including the purchase of stores

and supplies and oil and gas above ground, and then only to an amount not in excess of the current assets of such Subsidiary Company; or

(4) Indebtedness (in addition to those specified in (1) and (2)) maturing in two years or less from the date thereof, and incurred for current operating expenses, including the purchase of stores and supplies and oil and gas above ground, if secured by a pledge of petroleum and/or petroleum products above ground in storage, and then only to an amount which added to the amount of (3) above shall not be in excess of the current assets of such Subsidiary Company.

For the purpose of this Section, current assets shall include only such assets as are recognized as current assets by standard accounting practice, and shall include stores and supplies and oil above ground and the right of recourse on contingent liabilities, but shall exclude (1) all indebtedness owing from any other Subsidiary Company (other than Subsidiary Mortgagor Companies), and (2) all indebtedness (including the right of recourse on contingent liabilities) owing from the Company, or from the Subsidiary Mortgagor Companies, to the extent that they shall exceed seventeen and one-half per cent. ($17\frac{1}{2}\%$) of all current assets other than such indebtedness, and (3) all current assets created by an indebtedness to the Company or a Subsidiary Mortgagor Company. Current assets shall be deemed to have been created by an indebtedness to the Company or a Subsidiary Mortgagor Company only when at any time the total of the following three items, to wit:

(aa) The amount of the increase of all assets, other than current assets, of such Subsidiary Company since November 30, 1921;

(*bb*) The amount of decrease of liabilities, other than current liabilities (but not including funded debt in current liabilities), since November 30, 1921;

(*cc*) The amount of net losses from operations since November 30, 1921, including as an operating expense for the purpose of this calculation all dividends declared by such Subsidiary Company since November 30, 1921 not in excess of the net earnings of such Subsidiary Company since November 30, 1921;

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(*dd*) The amount of the outstanding capital stock of such Subsidiary Company issued, since November 30, 1921, and deposited with the Trustee or one of the trustees of the Underlying Mortgages pursuant to the requirements of Section 10 of Article II, Section 11 of Article V, Section 2 of Article VII, or Section 1 of Article X, and/or deposited with the Trustee in exchange for any Demand Notes previously so deposited pursuant to the requirements of any of such Sections,

shall be less than the net increase since November 30, 1921, of the indebtedness to the Company or the Subsidiary Mortgagor Companies; and in such case current assets shall be deemed to have been created by the excess of such net increase of indebtedness. The term "November 30, 1921" as used in this Section, shall be deemed to mean, in the case of a Subsidiary Company acquired after the date of the execution hereof, "since the date of acquisition".

In the event that a Subsidiary Company is acquired after the date hereof, and it has borrowed money in excess of the limitations hereinabove set forth, then the Company covenants and agrees that, within six (6) months of the acquisition of such Subsidiary Company,

its indebtedness will be reduced until it is within such limitation; or, in the event that Bonds are requested to be authenticated hereunder by virtue of the acquisition of such Subsidiary Company or of improvements, extensions or additions thereof prior to the expiration of six (6) months after the acquisition thereof, then such indebtedness will be reduced within such limitation prior to the authentication of such Bonds.

(b) In the event that the Company shall acquire any Subsidiary Company after the date hereof, no such Subsidiary Company shall lend money to the Company and/or one or more of the Subsidiary Companies, except to an amount not in excess of its undistributed earnings after the date of acquisition.

SECTION 9. That, so long as any Bonds of Series "A" are outstanding, no Subsidiary Company, other than a Subsidiary Mortgagor Company, will, after the date hereof, and no Subsidiary Company hereafter acquired, will, after the date of acquisition, mortgage, pledge, or otherwise encumber any of its real or personal property or interest in real or personal property owned at the date hereof or hereafter acquired, unless the entire amount of the indebtedness to be secured thereby shall be pledged hereunder free from all liens other than the lien of either of the Underlying Mortgages. But neither this covenant nor any other provision in this Indenture contained shall prevent the Company or any Subsidiary Company from:

(1) Creating a mortgage or other lien on property hereafter acquired to secure the payment of a part of the purchase price thereof, or

(2) Acquiring property subject to any mortgage, lien or encumbrance thereon existing at the time of such acquisition, with or without an assumption of such mortgage, lien or encumbrance, or

(3) Renewing or replacing any mortgages, liens or encumbrances which by the preceding clauses (1) and (2) the Company and Subsidiary Companies are permitted to make, or subject to which they are permitted to acquire property.

(4) Pledging petroleum and petroleum products above ground in storage either crude or refined (other than any such pledged with the Trustee under Clause E of Section 1 of Article VII), to secure any indebtedness of the Company or any Subsidiary Mortgagor Company, or any indebtedness of any Subsidiary Company, which such Subsidiary Company is permitted to incur under Clause (3) of Section 8 of this Article.

SECTION 10. That, so long as any Bonds of Series "A" are outstanding, the Company will not permit any Subsidiary Company to issue any additional preferred stock after the date hereof (or in the case of a Subsidiary Company hereafter acquired after the date of acquisition); nor to issue any additional common stock after such date unless the Company or the Subsidiary Company owning the stock of such Subsidiary Company shall acquire an amount of such additional common stock at least proportionate to the proportion of common stock previously owned by the Company or such Subsidiary Company in the Subsidiary Company so increasing its common stock. The term "issue any additional stock" shall be deemed to include the disposition of any Treasury stock.

SECTION 11. That the Company will at all times take or cause to be taken all such action as from time to time may be necessary to preserve the corporate existence and corporate rights and franchises of the Company and of any and all Subsidiary Companies, and if the corporate existence of any such corporation shall expire while any

Bonds issued hereunder are outstanding, all such steps as may be necessary or permitted to secure the extension of such corporate existence beyond the time when the Bonds outstanding hereunder shall become due, and all such steps as may be necessary to comply with such statutes in all states and countries in which it and/or any Subsidiary Companies shall do business as it shall be advised by counsel learned in the law that it or they should comply with in order fully to be authorized to conduct such business.

SECTION 12. That they will keep all the property of a character usually insured by companies similarly situated, which is at any time covered by this Indenture, and will cause each Subsidiary Company to keep all of its property of a similar character, insured against loss or damage by fire, or by such other casualty and to such amount as such property is usually insured for by companies similarly situated, by reputable insurance companies, loss, if any, to be made payable to the trustee or trustees of the Underlying Mortgages and/or to any mortgagees mentioned in Subdivisions (1), (2), (3) and (4) of Section 9 of this Article and to the Trustee hereunder as their respective interests may appear. If the total amount received by the Trustee upon all policies shall, in the case of any one loss, be less than the sum of \$100,000., the amount shall be paid forthwith to the Company by the Trustee to be used by the Company to pay for replacements of or substitutions for the injured or destroyed property, but the Trustee shall not be obliged to see to the application thereof. In all other cases the proceeds of any and all insurance on any part of the mortgaged property which may be received by the Trustee shall be held and applied by the Trustee as hereafter provided in Article X of this Indenture.

There shall be deposited with the Trustee, at such reasonable times as it may request, and at least once a year without any such request, a detailed statement of

the policies of insurance effected by the Company and the Subsidiary Companies then outstanding and in force. In case the Trustee shall at any time notify the Company in writing that it disapproves of any insurance company in which the Company or a Subsidiary Company has insured any of such property, other insurance with Companies satisfactory to the Trustee shall forthwith be effected by the Company.

So long as there are outstanding any bonds or obligations secured by mortgages which (a) constitute liens on all or any part of the properties of any Subsidiary Company or (b) constitute liens on all or any part of the properties of the Company prior to the lien hereof (as evidenced by a certificate of any trustee or mortgagee under any of said mortgages or of any counsel therefor), and a check for the amount of any loss covered by any insurance policy on any property subject to such mortgages is drawn by an insurance company payable to the order, among others, of the Trustee hereunder and the trustee or mortgagee under any of said mortgages, the Trustee hereunder shall endorse said check, without recourse, and deliver the same so endorsed to the appropriate trustee or mortgagee under any of said mortgages.

SECTION 13. That they will at all times maintain, preserve and keep their property mortgaged hereunder, and will cause each Subsidiary Company to maintain, preserve and keep its property and every part thereof, with the appurtenances and every part and parcel thereof, in thorough repair, working order and condition, and equipped with suitable machinery and appliances, and from time to time make all needful and proper repairs and renewals, so that at all times the value of the security for the bonds issued hereunder and the efficiency of the property hereby mortgaged shall be fully preserved and maintained, and, subject to the provisions hereof, will maintain, preserve and renew and will cause each

Subsidiary Company to maintain, preserve and renew all the rights, powers, privileges and franchises by it owned.

Nothing herein contained shall be construed to prevent the Company, or any of its Subsidiary Companies, from ceasing to operate any of its plants or other property, if, in the judgment of the Company, it is advisable not to operate the same for the time being, or if the Company, or the Subsidiary Company (as the case may be) intends to sell or otherwise dispose of the same and within a reasonable time endeavors to effectuate such a sale; nor in any such event to prevent the Company, or the Subsidiary Company (as the case may be) from taking such action with respect to such plant or such other property as is proper or customary under the circumstances.

SECTION 14. That they will at all times keep or cause to be kept proper books of record and account in which full, true and correct entry will be made of all dealings, business and affairs of the Company and of the Subsidiary Companies, including proper and complete credits to capital and property accounts covering property worn out, abandoned or sold, all in accordance with generally recognized rules and principles of accounting. That if they shall fail to comply with the provisions of this Section, the Trustee, if requested in writing by the holders of at least 10% in principal amount of the Bonds then outstanding of Series "A", shall cause the books, properties and accounts of the Company and the Subsidiary Companies to be examined by an accountant selected by the Trustee and they agree to pay the expense of any such examination.

SECTION 15. That they will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out

more effectually the purposes of this Indenture, especially to make subject to the lien hereof any property now owned or hereafter acquired by them which it is herein provided shall be subject to the lien hereof, and to transfer to any new trustee the estate, powers, instruments and funds held in trust hereunder.

SECTION 16. That they will at any and all times upon the written request of the Trustee:

(a) Permit the Trustee by its agents and attorneys to examine all books, accounts and financial records and reports of the Company and the Subsidiary Companies and to take copies and extracts therefrom;

(b) Furnish to the Trustee a detailed and true consolidated balance sheet showing accurately the financial condition of the Company and its Subsidiary Companies at the close of the preceding fiscal year in the form customarily prepared by the Company and a detailed and true report showing accurately the operations of the Company and the Subsidiary Companies for such fiscal year.

SECTION 17. The Company and the Subsidiary Mortgagor Companies will cause this Indenture and every additional instrument which shall be executed pursuant to the foregoing provisions forthwith upon execution to be recorded and filed, and will pay any mortgage recording tax or other tax legally due upon such recording or filing, and will punctually and fully comply with the requirements of any and every mortgage recording tax law or other law affecting the due recording or filing of this Indenture or of such additional instruments, in such manner as may be necessary fully to preserve, continue

and protect the security of the Bonds, the superior lien of this Indenture on the trust estate and the rights and remedies of the Trustee.

The Company and the Subsidiary Mortgagor Companies will on or before January 1 of each year beginning January 1, 1923, give written notice to the Trustee of each and every purchase or acquisition by any of them hereafter of real property and oil and/or gas leases, and of all assignments, releases and surrenders of oil and/or gas leases made by them pursuant to Sections 4 and 7 of Article IX, and they agree if so required by the Trustee, upon any such purchase or acquisition, forthwith to record this Indenture, or a duplicate thereof, or a further separate and supplemental indenture, as may be required by law, in the proper office or offices of the county or counties or other recording districts in which such real estate is situate. They further agree that, if required by the Trustee and if the laws of any State in which any portion of the personal property hereby mortgaged or intended so to be mortgaged is situated now or hereafter, require the filing, or re-filing, recording or re-recording, or renewal of this Indenture as a chattel mortgage or of any further separate or supplemental mortgage, or the taking of any other steps to preserve or secure the lien hereof on such personal property, which they may hereafter acquire, they will faithfully and at all times comply with each and every such law.

Nothing in this Section contained shall be construed as requiring the Trustee, or making it a part of the duty of the Trustee, to examine as to, or to determine the necessity for, any recording, filing, re-recording or re-filing of this Indenture or any supplemental indenture, and the Trustee shall incur no liability whatsoever by reason of its not requiring this Indenture or any supplemental indenture so to be recorded, filed, re-recorded, or re-filed,

unless thereunto requested by the holders of over ten per centum in amount of the Bonds of Series "A" then outstanding.

SECTION 18. That, so long as any Series "A" Bonds shall be outstanding, the Company will not in any way or form distribute, diminish or impair, or permit the distribution, diminishment or impairment of the surplus earnings of the Company on November 30, 1921, to wit: \$45,956,513.40 or of any portion thereof, excepting only that:

(1) In the discretion of its Board of Directors the Company may capitalize all or any portion of said surplus earnings by the declaration and payment of common stock dividends payable in preferred or common stock; or

(2) Operating losses and cash dividends on the Company's Eight Per Cent. Cumulative Preferred Stock shall be chargeable against said surplus, but only to the extent that the Company and/or its Subsidiary Companies have no other surplus earnings or surplus or reserves or other accounts against which the same can legally be charged; and if and whenever and to the extent that said surplus earnings of November 30, 1921 shall have been so impaired through operating losses and/or preferred dividends, such impairment shall be made good out of the first available earnings, and no dividends other than dividends in preferred or common stock shall be declared or paid on the common stock of the Company while any such impairment exists.

SECTION 19. That the Company and the Subsidiary Companies, from time to time, will, except as provided in Section 7 of Article IX, punctually observe and perform all of their obligations, and will pay and discharge

all amounts payable, under or by virtue of any lease of property, the leasehold interest in which is, or shall hereafter become the property of the Company or of any Subsidiary Company, and will not suffer or permit any default for which any such lease might be terminated, so that the interest of the Company and the Subsidiary Companies in any such leasehold estate may be at all times preserved unimpaired as security for the Bonds; provided, however, that nothing contained in this Section shall require the Company and the Subsidiary Companies to make any such payments or to observe any such obligations, so long as they shall in good faith contest their liability therefor.

SECTION 20. That they will pay or cause to be paid, as the same shall become due and payable, the principal and interest of the bonds secured by the Underlying Mortgages and all payments required to be made to the Sinking Funds created under the provisions thereof, and will not extend the time of payment of any of said principal or interest, and will not issue any additional Bonds under said mortgages other than in lieu of lost, destroyed or mutilated Bonds, and will not issue any Bonds under said mortgages in lieu of any Bonds which shall have been retired, and will faithfully perform all the terms, covenants and conditions to be performed by the mortgagors in said mortgages contained and will cause each of said mortgages to be satisfied and discharged of record upon the retirement of all the Bonds respectively outstanding thereunder.

The Company covenants that any securities and/or shares of stock held in pledge by the trustee of either of the Underlying Mortgages, and also pledged hereunder shall contemporaneously with the discharge of such Underlying Mortgage be delivered in negotiable form or

with proper instruments of transfer to the Trustee to be held by it thereafter subject to the terms and provisions hereof.

SECTION 21. That if they shall fail to perform any of the covenants contained in Sections 7, 12, 13, 14, 17, 19, and 20 of this Article III, the Trustee, or any receiver appointed hereunder, as herein provided, may make advances to perform the same in their behalf; and they hereby agree to repay all sums so advanced in their behalf, on demand, with interest at six per cent. per annum after demand, and all sums so advanced with interest as aforesaid shall be secured hereby, having the benefit of the lien hereby created in priority to the indebtedness evidenced by said Bonds and coupons; but no such advance shall be deemed to relieve the Company or the Subsidiary Mortgagor Companies from any default hereunder unless such advance shall have been repaid as above set forth.

SECTION 22. That they will pledge or cause to be pledged hereunder (a) all shares of stock now or hereafter owned by the Company in any Subsidiary Company; and (b) all shares of stock now or hereafter owned by any Subsidiary Company (other than any Subsidiary Company in which the Company shall have less than a 95% interest) in any other Subsidiary Company; and (c) all indebtedness (other than any indebtedness represented by an instrument in writing and retained in the ownership of the Company and/or any Subsidiary Company for not more than thirty days and other than indebtedness represented by open accounts) now or hereafter owed to the Company by any Subsidiary Company; and (d) all indebtedness (other than that excepted in the next preceding clause) now or hereafter owed to any

Subsidiary Company (other than a Subsidiary Company in which the Company has less than a 95% interest) by any other Subsidiary Company.

They further covenant and agree that all such indebtedness so pledged or to be pledged with the Trustee hereunder shall be accompanied by or contain in the writing evidencing the same an agreement of the debtor Subsidiary Company waiving its right to set off or counterclaim against such indebtedness any indebtedness or claim which it may at the time or thereafter have against the Company or any other Subsidiary Company.

SECTION 23. That they will cause any other Subsidiary Company in which the Company has at the time at least a ninety-five per cent. interest and which, at the time of the execution of this Indenture, owns or shall hereafter acquire any stock in or indebtedness of any other Subsidiary Company agreed in Section 22 to be pledged hereunder, forthwith to execute an Indenture to the Trustee pledging such stock with the Trustee and to enter into an agreement with the Company whereby the Company will agree that the proper corporate financial needs of such Subsidiary Company so pledging such stock will be provided for out of the proceeds of the issuance of Bonds under this Indenture.

SECTION 24. That they will and do hereby sell, assign and transfer to the Trustee all their respective right, title and interest in and to any and all claims for advances made or to be made or moneys loaned or to be loaned by them or any of them to any Subsidiary Company and that they will cause to be executed and filed with the Trustee as soon as the same may be done, an acceptance duly executed by each of the Subsidiary Companies, of the sale and assignment by this Section made.

SECTION 25. That neither the Company nor any Subsidiary Company will sell or otherwise dispose of any of its property and franchises or any part thereof except as provided in Articles VIII and IX hereof, nor make any lease thereof unless the same shall be expressly subject to termination by the Trustee at its option, upon the occurrence of one or more of the events specified in Section 1 of Article XI hereof, which shall continue for the time therein specified, and also be made expressly subject to termination by the purchaser of the property subject to this Indenture at any sale thereof hereunder, whether such sale be made under the power of sale hereby conferred or any judicial proceedings.

SECTION 26. The Trustee may at any time in its discretion cause to be made such independent investigation as it may see fit of the performance and observance by the Company and the Subsidiary Mortgagor Companies of any or all of the covenants, agreements or conditions in this Indenture contained, and the expense thereof shall be paid by the Company, or if paid by the Trustee shall be repaid by the Company on demand with interest at the rate of six per cent. per annum.

ARTICLE IV.

REDEMPTION OF BONDS.

SECTION 1. The Company at its option may redeem all or any part of the Bonds of Series "A" issued hereunder at any time on or before April 30, 1923, at one hundred and fifteen per cent. (115%) of their principal amount and accrued interest to the date of redemption, and thereafter and on or before November 1, 1936 at one hundred and fifteen per cent. (115%) of their principal amount and accrued interest to the date of redemption less one

per cent. (1%) of their principal amount for each full year from May 1, 1922, to the date of redemption, and after November 1, 1936, at their principal amount and accrued interest to the date of redemption.

SECTION 2. Notice of intention to redeem Bonds of Series "A" shall be given by the Company by publication in two daily newspapers of general circulation, one published in the Borough of Manhattan, City and State of New York, and one in the City of Chicago, State of Illinois, once a week for six successive weeks, the first publication to be not less than sixty (60) days and not more than sixty-five (65) days before such redemption date. A copy of such notice shall also be mailed by the Company, first-class postage prepaid, at least sixty (60) and not more than sixty-five (65) days before such redemption date to the owners of registered Bonds which are to be redeemed, at their last addresses appearing upon the bond register. Such notice shall state the date and place of redemption and that the Bonds to be redeemed will be redeemed at the particular redemption price then in effect as specified. In case less than all the Bonds should be thus redeemed, the Bonds to be redeemed shall be drawn by lot by the Bankers, in any usual manner in their discretion, not less than sixty-five (65) days before such redemption date, and the Bankers having designated the Bonds so to be redeemed, shall forthwith give notice to the Company to that effect, specifying the numbers thereof, and in such case the notice to be given by the Company shall also state the numbers of the Bonds so drawn.

SECTION 3. On or before the redemption date specified in the notice above provided for, the Company shall pay to the Trustee, the face amount thereof and accrued

interest thereon to the date of such redemption and in addition thereto the amount of any premium payable in respect to the redemption of such Bonds as hereinbefore provided. If the Company shall have made such payment and if such notice shall have been published and mailed as hereinbefore provided, the Bonds so called for redemption shall become due and payable on the date, at the place and at the premium, if any, in such notice so stated, and after such redemption date, said Bonds shall cease to draw interest and the coupons maturing subsequent to that date, shall be void and thereafter such Bonds shall cease to be entitled to any further benefit of or from this Indenture, except to receive payment from the moneys reserved therefor in the hands of the Trustee, without the right to interest thereon. The Trustee shall allow the Company interest upon funds remaining deposited with it under this Section 3 at the current rates of interest allowed by it on similar deposits.

In the event that any Bonds are called for redemption pursuant to the provisions of this Article and after such call are converted into Eight Per Cent. Cumulative Preferred Stock of the Company prior to the date of redemption, the amount of cash sufficient to redeem such Bonds so converted shall be deducted from the amount to be paid by the Company to the Trustee pursuant to this Section.

Any moneys so deposited remaining unclaimed by the holders of Bonds and coupons for six years after the specified redemption date, shall be paid by the Trustee to the Company, and such holders of bonds and coupons shall thereafter be entitled to look only to the Company for payment thereof; provided however, that the Trustee, before being required to make any such payment to the Company, may, at the expense of the Company cause notice that said moneys remain unclaimed as aforesaid,

and that after a date named therein they will be returned to the Company, to be published once a week for four successive weeks in a daily newspaper of general circulation regularly published in the Borough of Manhattan, City and State of New York and in one such newspaper in the City of Chicago, State of Illinois.

SECTION 4. No Bonds of Series "A" can be called for redemption unless prior thereto the Company shall have advised the Bankers of the principal amount of Bonds it desires to call for redemption and the Company shall, by notice published once a week for two successive weeks in one daily newspaper of general circulation published in the Borough of Manhattan, City of New York and in one daily newspaper published in the City of Chicago, Illinois, advertise for written proposals to sell to the Bankers Bonds of Series "A". Such notice shall state the amount of bonds the Company proposes to purchase, the date of the proposed purchase, that proposals shall be for all or any part of the bonds offered, whether so expressed or not, and the last day upon which such written proposals will be received by the Bankers, which such last day shall be not more than twelve (12) nor less than eight (8) days prior to the date for purchase. From the Bonds offered in response to such notice, the Bankers, as agents for the Company, shall accept such Bonds as are offered at the lowest prices not exceeding the then prevailing redemption price, to an amount not exceeding the principal amount of Bonds which the Company has advised the Bankers it desires to call for redemption. Should there be two or more proposals at the same price aggregating more than the principal amount of Bonds to be purchased by the Bankers, such proposals shall be accepted *pro rata*. On or before the purchase date, as fixed in such notice, the Company will deposit with the Bankers sufficient moneys to pay for the

accepted Bonds at the prices at which such Bonds were accepted, plus accrued interest to the purchase date. If upon any such advertisement being made no proposals to sell Bonds at or below the then prevailing redemption price shall be made, or if such proposal or proposals shall aggregate less than the principal amount of Bonds which the Company has advised the Bankers it desires to call for redemption, in either of such cases a principal amount of Bonds equal to the difference between the principal amount of Bonds which the Company has notified the Bankers it desires to purchase and the principal amount of Bonds so purchased by the Bankers, may be called for redemption as hereinbefore in this Article IV set forth.

SECTION 5. The holder of each and every Bond of Series "A" issued under this Indenture hereby agrees to accept payment thereof prior to maturity on the terms and conditions in this Article IV provided.

SECTION 6. So long as any Bonds of Series "A" are outstanding, all Bonds redeemed or purchased by the Trustee or the Bankers at the request of the Company under any provision of this Indenture, shall forthwith be cancelled and no Bonds shall be issued hereunder in place thereof, except in accordance with the provisions of Section 7 of Article II, and if such redemption or purchase shall have been made by the Bankers, they shall thereupon deliver the Bonds to the Trustee for cancellation. Any registered Bond without coupons of Series "A" of a denomination in excess of \$1,000 shall be subject to redemption under any provision of this Indenture in part in units of \$1,000; and in the event that through any method of drawing by lot adopted by the Bankers a portion of such a registered Bond shall be so redeemed, then for all the purposes of this Indenture only such portion

of such Bond shall be deemed to be redeemed, and upon surrender of such registered Bond, duly endorsed for transfer, a new registered Bond shall be issued in the same name in the amount of the portion of such Bond not so redeemed.

SECTION 7. Bonds of subsequent series may be made subject to redemption at such price or prices and in such manner and within such period or periods as the Board of Directors of the Company may determine.

ARTICLE V.

SINKING FUND.

SECTION 1. For the purpose of this Article, the first day of November, 1922, and the first days of each February, May, August and November in each year thereafter are called Sinking Fund Dates. If any of said days is a Sunday or a legal holiday, then the next succeeding business day shall be deemed to be a Sinking Fund Date.

SECTION 2. The Company covenants and agrees that it will forthwith create and, so long as any of the Bonds of Series "A" are outstanding, maintain a Sinking Fund, and that it will pay to the Bankers, as Sinking Fund Agent for the Company for Bonds of Series "A", the following amounts:

(a) Upon each Sinking Fund Date, so long as any Bonds of Series "A" are outstanding, for the account of such Sinking Fund, cash sufficient in amount to retire, at prices not exceeding the then prevailing Sinking Fund Price (as hereinafter defined) an amount of Bonds of Series "A" equal to 1% of the greatest principal amount of Bonds of Series "A" which shall ever have theretofore been authenticated hereunder ninety days prior to such

Sinking Fund date. The Company may retire Bonds of Series "A" by redemption or otherwise in excess of or in advance of the foregoing requirements and shall be credited on its obligation as aforesaid in subsequent periods for any such excess or advance resulting from the retirement of such Bonds up to and including 90 days prior to the Sinking Fund Date upon which payment is then to be made, provided that the Company shall not be entitled to any credit for Bonds retired in compliance with the minimum requirements contained in Section 11 of this Article or the retirement of Bonds pursuant to the provisions of Article VII or of Section 3 of Article IX hereof or of Article X hereof, or Bonds by reason of the retirement of which other Bonds secured hereby have been authenticated pursuant to the provisions of Section 7, Article II hereof, or Bonds purchased by the Company except through the Sinking Fund Agent or with the consent of the Sinking Fund Agent; and

(b) If the amount of Bonds so to be retired on any Sinking Fund Date shall be less than two hundred and fifty thousand dollars (\$250,000) principal amount of Bonds, then during the period of ninety days prior to such Sinking Fund date, an amount or amounts of cash as called for, from time to time, by the Sinking Fund Agent for the purchase of Bonds of Series "A" during such period, sufficient to purchase such Bonds at prices not exceeding par and accrued interest to the date of purchase; but the aggregate of such amount or amounts to be paid by the Company to the Sinking Fund Agent under this subdivision (b) shall not exceed, in any one such ninety-day period, the amount by which two hundred and fifty thousand dollars (\$250,000) principal amount exceeds the principal amount of Bonds to be retired on such next succeeding Sinking Fund Date as provided in subdivision (a).

Provided, however, that in any quarter yearly period not more than 1% of the greatest principal amount of the Bonds of Series "A" which shall ever have theretofore been authenticated may be called for redemption (not including Bonds purchased after call for tenders) pursuant to this Article.

SECTION 3. Ninety days prior to each Sinking Fund Date, the Company will deliver a statement to such Sinking Fund Agent showing the principal amount of Bonds of Series "A" which are to be retired on the next succeeding Sinking Fund Date as provided in subdivision (a) of Section 2, and the method of calculating such amount.

SECTION 4. It shall be the duty of such Sinking Fund Agent to apply, on each Sinking Fund Date, whatever amounts of cash are paid to it under subdivision (a) of Section 2 of this Article for the account of such Sinking Fund, to the purchase or redemption of Bonds of Series "A" at prices not to exceed the Sinking Fund Price then in effect. Prior to such purchase, the Company shall give notice to all holders of Bonds of Series "A" by publication three times a week in one week in one daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York and in one such newspaper published in the City of Chicago, State of Illinois (the first publication to be not more than fifty and not less than forty-five days before such Sinking Fund Date) of the intention of the Sinking Fund Agent to apply such cash and inviting sealed proposals to be made to such Sinking Fund Agent for the sale of Bonds of Series "A", on the Sinking Fund Date next succeeding, at prices not to exceed the Sinking Fund Price at that time in effect, proofs of which publication shall be

filed by the Company with the Sinking Fund Agent. Such notice shall state the amount of Bonds to be purchased, that proposals shall be for all or any part of the Bonds offered, whether so expressed or not, and the last day upon which such written proposals will be received by such Sinking Fund Agent, which such last day shall be not more than thirty five days prior to such Sinking Fund Date. From the Bonds offered in response to such notice, the Sinking Fund Agent shall accept such Bonds as are offered at the lowest prices, not exceeding the Sinking Fund Price then in effect, to an amount not exceeding in the aggregate the Bonds of Series "A" to be purchased for the account of the Sinking Fund. Should there be two or more proposals at the same price aggregating more than the principal amount of bonds to be purchased by the Sinking Fund Agent, such proposals shall be accepted *pro rata*. If thirty five days before the next Sinking Fund Date there shall not have been offered in response to such notice, on the terms above set forth, an amount of Bonds of Series "A" equal in the aggregate to the amount of Bonds to be then retired, Bonds of Series "A" equal in aggregate principal amount to the balance of Bonds to be then retired shall be drawn by the Sinking Fund Agent by lot, in such manner as it shall determine, and the Company shall forthwith give notice in the manner set forth in Section 2 of Article IV (except that the first publication shall be not less than thirty days and not more than thirty five days prior to such Sinking Fund Date, and that the publication shall be once a week for four successive weeks), which such notice shall state the date (which shall be the next succeeding Sinking Fund Date) and place of redemption, the Sinking Fund price then in effect and the numbers of the Bonds to be redeemed. A copy of such notice shall also be mailed by the Company, first-

class postage prepaid, at least thirty days before such Sinking Fund Date, to the owners of the registered Bonds of Series "A" which are to be redeemed, at their last addresses appearing upon the Bond Register and also to the Trustee.

The Trustee will, at any time, upon the request of the Sinking Fund Agent, furnish it with a statement of the numbers of all Bonds of Series "A" which shall be shown by the records of the Trustee to have been authenticated and delivered by it and not retired.

SECTION 5. It shall be the duty of such Sinking Fund Agent to apply whatever amounts of cash are paid to it under the provisions of subdivision (b) of Section 2 and the provisions of Section 8 of this Article, to the purchase of Bonds of Series "A" from the market in such manner as such Sinking Fund Agent shall deem proper at the lowest prices obtainable not exceeding par and accrued interest to the date of purchase.

SECTION 6. The Company further covenants and agrees that it will pay to the Sinking Fund Agent, on the first day of August, 1922, cash sufficient to retire \$450,000 principal amount of the Bonds of Series "A", at prices not to exceed 107½% of the principal amount thereof, plus accrued interest to August 1, 1922, and it shall be the duty of such Sinking Fund Agent to apply such amount of cash to the purchase of such principal amount of Bonds of Series "A", in such manner as such Sinking Fund Agent shall deem proper, at the lowest prices obtainable, not exceeding the price above mentioned, either with or without call for tenders, and if call be made for tenders such call shall be published at such times and in such manner as the Sinking Fund Agent shall deem proper. On July 31, 1922, the Sinking Fund Agent shall advise the Company of the prices at which it has purchased such Bonds.

The Sinking Fund Agent shall have the right to apply any or all of such cash to be paid to it pursuant to this Section to the purchase of Interim Certificates for the Bonds of Series "A", which may have been issued by The Equitable Trust Company of New York in lieu of the Bonds of Series "A". If any such Interim Certificates are purchased by the Sinking Fund Agent it shall be the duty of the Sinking Fund Agent to deliver such Interim Certificates so purchased to the Trustee, to be held by the Trustee until such time as permanent or temporary Bonds are ready for exchange for Interim Certificates, at which time the Company covenants and agrees that it will cause either temporary or permanent Bonds of Series "A" to be authenticated by the Trustee equal in principal amount to the amount of such Interim Certificates so purchased by the Sinking Fund Agent, and delivered to the Trustee, and such Bonds of Series "A" so authenticated shall forthwith be cancelled by the Trustee and no Bonds of Series "A" shall be issued in place thereof.

SECTION 7. The Sinking Fund Prices hereinbefore mentioned are as follows: From the date hereof to and including April 30, 1923, one hundred seven and one-half per cent. of the principal amount; and thereafter and on or before November 1, 1936, one hundred seven and one-half per cent. of the principal amount, less one-half of one per cent. of such principal amount for each full year from May 1, 1922 to the date of redemption; and after November 1, 1936, the principal amount, plus, in each case, accrued interest to the date of redemption.

In case the Company shall fail to give notice of call for redemption as herein provided, the Sinking Fund Agent may forthwith, at the expense of the Company, give such notice with the same effect as though

such notice had been given by the Company as hereinbefore required.

SECTION 8. In the event that any Bonds are called for redemption, pursuant to the provisions of this Article, and after such call are converted into the Eight Per Cent. Cumulative Preferred stock of the Company prior to the Sinking Fund Date upon which the same is to be redeemed, the Trustee agrees to notify the Sinking Fund Agent and the Company of the numbers of such Bonds, and the amount of cash sufficient to redeem such Bonds so converted shall be deducted from the amount to be paid by the Company to the Sinking Fund Agent pursuant to the provisions of subdivision (a) of Section 2 of this Article; provided in such case the Company covenants that it will from time to time at any time prior to such Sinking Fund Date pay to the Sinking Fund Agent an amount or amounts of cash sufficient to purchase at prices not exceeding par and accrued interest to the date of purchase, Bonds of Series "A" of a principal amount equal to the principal amount of the Bonds so converted.

SECTION 9. If the Company shall have made such payment and if such notice shall have been published and mailed as hereinbefore provided, the Bonds so called for redemption shall become due and payable on that date at the place and at the premium, if any, in such notice so stated, and after such redemption date, said Bonds shall cease to draw interest and the coupons maturing subsequent to that date shall be void and thereafter such Bonds shall cease to be entitled to any further benefit of or from this Indenture, except to receive payment from the moneys reserved therefor in the hands of the Sinking Fund Agent, without the right to interest thereon. The Sinking Fund

Agent shall allow the Company interest upon funds remaining deposited with it under this Article at the current rates of interest customarily allowed on similar deposits.

Any moneys so deposited remaining unclaimed by the holders of Bonds and coupons for six years after the specified redemption date shall be paid by the Sinking Fund Agent to the Company, and such holders of Bonds and coupons shall thereafter be entitled to look only to the Company for payment thereof; provided however, that the Sinking Fund Agent, before being required to make any such payment to the Company, may, at the expense of the Company cause notice that said moneys remain unclaimed as aforesaid, and that after a date named therein they will be returned to the Company, to be published once a week for four successive weeks in a daily newspaper of general circulation regularly published in the Borough of Manhattan, City and State of New York and in one such newspaper in the City of Chicago, State of Illinois.

SECTION 10. The holder of each and every Bond of Series "A" issued under this Indenture hereby agrees to accept payment thereof prior to maturity on the terms and conditions in this Article V provided.

SECTION 11. The Company further agrees if it shall issue bonds of any other series under this Indenture that, as long as any Series "A" Bonds are outstanding:

(a) In addition to the Bonds of Series "A" which may be retired with the Depreciation and Depletion Fund provided in Article VII and in addition to Bonds purchased or redeemed with moneys withdrawn from or applied by the Trustee pursuant to Article X or purchased or redeemed

pursuant to Section 3 of Article IX but not in addition to the Bonds of Series "A" retired pursuant to the provisions of Article V hereof, the Company will retire and cancel annually at least one-twenty-fifth of the greatest principal amount of Bonds which shall ever at any one time have been outstanding under this Indenture; or

(b) The Company and/or the Subsidiary Companies will acquire additional property, make extensions, additions or improvements or acquire securities, of the nature which might be the basis for the issuance of Residue Bonds pursuant to Sections 5 and 6 of Article II, at a total cost in each year at least equal to two-twenty-fifths of the greatest principal amount of Bonds which shall ever at any one time have been outstanding under this Indenture; provided, however, that in case any Subsidiary Company in which the Company has less than a 95% interest, shall acquire any additional property or make any permanent improvements, extensions or additions to its property, the Company shall be credited with only such percentage of the cost as is equal to the percentage of the interest of the Company in such Subsidiary Company computed as provided in Section 3 of Article II, unless there shall be pledged with the Trustee mortgage bonds of such Subsidiary Company to an amount at face value equal to the actual cost of such additional property, permanent improvements, extensions or additions; or

(c) The Company will perform a portion of its obligation under Clause (a) hereinabove and the remaining portion of its obligation under Clause (b) hereinabove.

If while any Bonds of Series "A" are outstanding, the Company shall hereafter issue Bonds other than Bonds of Series "A", the Supplemental Indenture or Indentures provided for in Section 4 of Article I shall contain detailed provisions with reference to the Sinking Fund or Funds for such series, consistent with the provisions of this Section, including provisions for the delivery to the Trustee so long as any Bonds of Series "A" are outstanding, in case the Company elects to perform its obligation in whole or in part under Clause (b) above, of the documents specified in Section 2 of Article VII hereof.

SECTION 12. The Company agrees that it will not sell to the Bankers as Sinking Fund Agent, any of the Bonds of Series "A" secured hereby and held in its Treasury or the Treasury of any of the Subsidiary Companies, except such Bonds as may have been previously marketed and bought in by it or them. In the drawing of Bonds by lot to be redeemed by the Sinking Fund Agent for the account of the Sinking Fund, the Sinking Fund Agent shall exclude from the Bonds subject to drawing, any Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of the Subsidiary Companies. Prior to such drawing by lot the Company shall forthwith, upon request of the Sinking Fund Agent, deliver to the Sinking Fund Agent a statement showing the numbers of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of any of the Subsidiary Companies.

ARTICLE VI.

CONVERSION.

SECTION 1. The Company covenants and agrees that any bearer or registered holder of Bonds of Series "A"

shall have the right and privilege, to be exercised in the manner and subject to the terms and provisions of this Article VI, to convert any of the Bonds of Series "A" into shares, of the par value of \$100 each, of the Eight Per Cent. Cumulative Preferred Stock of the Company as such stock is now existing on the basis of the Sinking Fund redemption price then in effect for the Bonds and of par for the preferred stock, with cash adjustment of accrued interest and dividends, upon surrender to the Trustee at its principal office in the Borough of Manhattan, City of New York, of the Bond or Bonds to be converted with (in the case of Coupon Bonds) all interest coupons maturing subsequently to the date of conversion and (in the case of Registered Bonds or of Coupon Bonds which shall at the time be registered as to principal) accompanied by duly executed assignments or transfer powers; and upon such surrender the Trustee shall deliver from stock and scrip certificates furnished to it by the Company for that purpose to such bearer or registered holder, or to his nominees, stock certificates representing the number of shares of Eight Per Cent. Cumulative Preferred Stock of the Company into which the Bonds so surrendered shall be convertible upon the basis above set forth, together with a scrip certificate in respect of any fraction of a share resulting upon such conversion.

SECTION 2. (a) At the time of the execution of this Indenture, the Company has furnished to the Trustee to be held by it solely for conversion purposes, a certificate or certificates for 483,750 shares of the par value of \$100. each of its Eight Per Cent. Cumulative Preferred Stock, which certificate or certificates have been duly signed and sealed by the duly authorized officers of the Company but are undated and with the name of the holder left

blank; and from time to time hereafter the Company will furnish the Trustee with similar certificates representing such additional shares of said stock as may be required for the conversion of any additional Series "A" Bonds issued hereunder. The Company covenants and agrees that it will, from time to time as required to effect any such conversion, exchange any stock certificates furnished or to be furnished by it to the Trustee hereunder for such number of stock certificates similarly blank as may be requested by the Trustee of an aggregate number of shares equal to that of the certificate or certificates being exchanged. The Company further covenants and agrees that it will, from time to time, issue and deliver as required to provide for any fractional part of a share resulting from any such conversion, scrip certificates in respect of such fractions as shall be designated by the Trustee, aggregating one full share, upon surrender to the Company, of a stock certificate for one full share, furnished or to be furnished by the Company to the Trustee hereunder as aforesaid.

(b) The Trustee is hereby irrevocably designated and appointed the Agent of the Company, with full power for the Company and in its behalf to date, fill in with the proper name, and cause to be countersigned by the Registrar and Transfer Agent of such stock, and to deliver to any bearer or registered holder of any Bonds of Series "A" becoming entitled to the same under the terms of this Indenture, a stock certificate or certificates, representing the number of full shares of fully paid Eight Per Cent. Cumulative Preferred Stock of the Company to which such bearer or registered holder may become so entitled, and also to deliver as aforesaid any scrip certificate representing any fractional amount of a full share of said stock to which such bearer or registered holder may become so entitled. Upon the delivery of any such stock

certificate the Trustee shall immediately notify the Company of the same and the person or persons whose name or names are inserted in such certificate shall from the date of the delivery thereof become stockholders of record of the Company and from said date shall be entitled to all rights and privileges and subject to all the obligations of such stockholders.

(c) The Trustee is hereby irrevocably designated and appointed the Agent of the Company, with full power for the Company and in its behalf, if and when the Company shall have consented in writing (or without such consent, if and when the Company shall have failed to exchange any certificate furnished or to be furnished to the Trustee for another certificate or other certificates as required pursuant to clause (a) of this Section) to fill in the Trustee's name or that of a nominee as the holder of all the certificates for such stock then held by it and to date the same, and to cause the same to be countersigned by the Registrar and Transfer Agent of such stock, and to hold the same solely for conversion purposes. The Company covenants and agrees that it will, from time to time as required to effect any such conversion, duly transfer or cause to be transferred any stock certificates furnished or to be furnished by it to the Trustee hereunder and so standing in the name of the Trustee or its nominees and will cause new certificates to be delivered to the Trustee inscribed in the respective names of the bearers or registered holders of the Bonds surrendered for conversion, or their nominees, as the Trustee shall direct, and shall deliver the same to the Trustee. The Company further covenants and agrees that it will, from time to time, issue and deliver, as required to provide for any fractional part of a share resulting from any such conversion, scrip certificates in respect of such fractions as shall be designated by the Trustee, aggregating one

full share, upon surrender to the Company, duly endorsed, of a stock certificate for one full share furnished or to be furnished by the Company to the Trustee hereunder, and held in the name of the Trustee or its nominees as aforesaid.

(d) The Company covenants and agrees that the shares of said stock represented by each and every certificate to be delivered to the bearers or registered holders of the Bonds surrendered for conversion, or their nominees, or upon any exchange of such scrip certificates, shall at the time of such delivery be fully paid and non-assessable. The Company further covenants and agrees that it will promptly pay and provide for any and all United States Internal Revenue Stamp taxes and Stock Transfer Stamp taxes in the State of New York and any other taxes which may be payable in respect to any taxable issuance or transfer of any stock or certificates pursuant to the provisions of this Section.

(e) Whenever, by reason of the retirement of Bonds of Series "A" or the reduction of the Sinking Fund redemption price of Series "A" Bonds through lapse of time or otherwise, the number of shares of stock delivered to the Trustee to provide for the conversion of Series "A" Bonds shall be in excess of the maximum total number of shares required for such purpose of conversion, the Trustee shall return the stock certificates representing such excess to the Company, upon its written request.

(f) The Company covenants that it will forthwith upon the execution of this Indenture, inform the Registrar and Transfer Agent of said stock of the terms and provisions of this Indenture.

SECTION 3. The right and privilege to convert, pursuant to the provisions of this Article shall, as to any

Bonds called for redemption under the provisions of Article IV, but not including Bonds called for redemption through the operation of the Sinking Fund provided in Article VI or through the operation of the Depletion and Depreciation Fund provided in Article VII, expire at the close of business on the thirtieth day preceding the date of redemption specified in the notice provided for in Section 2 of Article IV, and such right and privilege to convert shall also expire as to all Bonds then outstanding at the close of business on the first day of April, 1937:

SECTION 4. To adjust accrued interest upon Bonds so converted and dividends upon the stock issued therefor, the Company shall at the time of such conversion pay or cause to be paid to the bearer or registered holder of any Bond so converted, interest to the date of conversion at the rate of $7\frac{1}{2}\%$ per annum from the semi-annual interest day next preceding the date of conversion, unless such date of conversion be some semi-annual interest day, and also in case such conversion shall occur after the date of the declaration, but before the date of payment, of any dividend upon the outstanding Eight Per Cent. Cumulative Preferred Stock of the Company in which the stock issued upon conversion of the Bonds would not be entitled to participate, an additional amount which will equal the dividend accruing upon a par amount of stock equal to the stock issuable for the Bonds so converted from such date of conversion to such date of payment of such dividend, and, except where such conversion shall occur between the dates aforesaid, the bearer or registered holder of the Bonds so converted shall at the same time pay to the Trustee for the account of the Company an amount which will equal the dividend accrued upon the stock issued in exchange for the Bonds so converted from the date upon

which the last dividend upon the said Eight Per Cent. Cumulative Preferred Stock was paid to the date of conversion.

SECTION 5. The scrip to be issued, as provided in this Article, shall be substantially in the following form, with the appropriate omissions, insertions and variations in accordance with the provisions of this Article:

[FORM OF SCRIP CERTIFICATE]

No. of a Share.

EMPIRE GAS AND FUEL COMPANY
OF DELAWARE

SCRIP CERTIFICATE—EIGHT PER CENT. CUMULATIVE PREFERRED STOCK

This certificate is issued with respect to of one share of the Eight Per Cent. Cumulative Preferred Stock of EMPIRE GAS AND FUEL COMPANY, of Delaware. The bearer hereof is entitled to receive, free of stamp duties and transfer taxes, on surrender to the Company of this certificate and similar certificates aggregating a full share, a certificate for One Share of Eight Per Cent. Cumulative Preferred Stock of this Company out of stock which the Company has reserved and at all times will keep reserved and sufficient in amount for that purpose. No dividend or interest shall be payable or shall accrue with respect to this Scrip Certificate, nor shall it entitle the holder to voting rights or any other rights of a stockholder. This certificate shall pass by delivery and the bearer shall be entitled to the benefits thereof and the Company shall not be affected by any notice to the contrary.

Dated

EMPIRE GAS AND FUEL COMPANY

By

If the aggregate face amount of scrip certificates surrendered, as therein provided, for exchange into Eight Per Cent. Cumulative Preferred Stock is an amount in excess of one share, the Company shall, at the time of delivery of the certificates of stock called for by the surrendered scrip, issue a scrip certificate in an amount equal to such excess.

SECTION 6. Upon the conversion of Bonds, as provided in this Article, all Bonds surrendered for conversion and all coupons appertaining to such Bonds shall at once become null and void and shall be cancelled by the Trustee and upon the written request of the Company shall be delivered to it; but this shall not be taken to relieve the Company from any obligation to pay to the persons respectively entitled thereto, the amount of any unpaid interest represented by any outstanding coupons matured at the time of such conversion and pertaining to any Bond or Bonds so surrendered for conversion.

SECTION 7. The Company covenants that while any of the Bonds of Series "A" issued hereunder are outstanding, it will not create any class of stock on a parity with or having priority over its Eight Per Cent. Cumulative Preferred Stock as the same is now existing; and that it will not increase the authorized issue of such Eight Per Cent. Cumulative Preferred Stock; and that it will not change, alter, modify or vary the preferences, privileges or restrictions in respect of such Eight Per Cent. Cumulative Preferred Stock unless it shall have procured and lodged with the Trustee hereunder an opinion from an attorney or attorneys appointed by the Company and satisfactory to the Trustee, that such change, modification, alteration or variation does not adversely affect the rights of the holders of such Eight Per Cent. Cumulative Preferred Stock.

ARTICLE VII.

DEPLETION AND DEPRECIATION FUND.

SECTION 1. The Company covenants and agrees that it and/or the Subsidiary Companies shall at all times, so long as any Series "A" Bonds are outstanding, have expended as a Depletion and Depreciation Fund in addition to its obligations contained in Article V, an amount not less than Three Million Dollars (\$3,000,000) multiplied by the number of full years elapsed since December 1, 1921, in any one or more of the following methods:

A. In the acquisition by the Company and/or the Subsidiary Companies of additional property, the making of extensions, additions or improvements, or the acquisition of securities, of the nature which might be the basis for the issuance of Residue Bonds pursuant to Section 5 of Article II; provided, however, that in case any Subsidiary Company in which the Company has less than a 95% interest, shall acquire any additional property or make any permanent improvements, extensions or additions, the Company shall be credited with only such percentage of the cost as is equal to the percentage of the interest of the Company in such Subsidiary Company computed as provided in Section 3 of Article II, unless there shall be pledged with the Trustee mortgage bonds of such Subsidiary Company to an amount at face value equal to the actual cost of such additional property, permanent improvements, extensions or additions; or

B. In the purchase by the Bankers, with or without call for tenders, as shall be requested by the Company, of Bonds of Series "A" at not exceeding the then prevailing Sinking Fund redemption price specified in Article V; or

C. In redeeming Bonds of Series "A" at the then prevailing Sinking Fund redemption price specified in Article V; or

D. In pledging with the Trustee, United States Government securities to be taken at their market value at the time of so pledging; or

E. In pledging with the Trustee, personal property to be taken at its market value at the time of so pledging; or

F. In depositing cash with the Trustee.

SECTION 2. If in any year, commencing December 1, 1921, or commencing each December first thereafter, the whole or any part of the Depletion and Depreciation Fund has been expended in the manner set forth in Clause A of Section 1 of this Article, the Company shall, on or before November 30th of such year deliver to the Trustee:

1. In the case of expenditures for additional property, permanent improvements, extensions or additions of the Company or the Subsidiary Mortgagor Companies:

A. A statement signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating with reasonable details of description and actual cash cost that since November 30, 1921 (or in the case of Subsidiary Companies which became such subsequent to November 30, 1921, since the date of acquisition) the Company or a Subsidiary Company has acquired additional property or constructed improvements, extensions or additions of the nature described in Subdivisions 1 and/or 2 of Section 5 of Article II, and stating further that said property, improve-

ments, extensions or additions do not include any described in clauses (a), (b), (c), (d), (e) and (g) of Section 5 of Article II, and stating further that neither the Company nor any such Subsidiary Company has been reimbursed for any part of such actual cash cost in Bonds issued under this Indenture, or in the alternative stating to what extent the Company or any Subsidiary Company has been so reimbursed, and stating further whether any such property, improvements, additions or extensions are of the nature described in Section 3 of Article IX and if so specifying the same, and stating separately the actual cash cost thereof, and stating further the names of any of the Subsidiary Companies mentioned in the statement, which have been acquired since the date of the execution of this Indenture.

B. Such instruments of conveyance, assignment and transfer as may be necessary in the opinion of counsel (who may be counsel to the Company) selected by the Company and approved by the Trustee, to vest in the Trustee to hold as part of the mortgaged property hereunder all the right, title and interest of the Company or the Subsidiary Mortgagor Company (whichever owns the same) in and to the property described in the statement referred to in the preceding Paragraph A, or the opinion of such counsel that no such instruments are necessary for such purpose.

2. In the case of expenditures for additional property, improvements, extensions or additions of any Subsidiary Company (other than a Subsidiary Mortgagor Company), in which the Company has at least a 95% interest, in addition to A.

C. Either Demand Notes of such Subsidiary Company in an amount at face value or Stock of said Sub-

sidiary Company in an amount at par value at least equal to the actual cash cost of the additional property, permanent improvements, extensions or additions purchased, acquired or constructed by such Subsidiary Company and described in the statement referred to in paragraph A.

In case the provisions of the Underlying Mortgages shall require the deposit of such Notes or Stock with the trustees of either of said mortgages, the Trustee may receive in lieu of such Notes or Stock a certificate of either of the trustees under such Underlying Mortgages, certifying that the deposit of such Notes or Stock with said trustee is required by the terms of said mortgage and further certifying that they have been so deposited and specifying the amounts so deposited.

Provided, however, that in the case of the issuance of such Demand Notes or Stock by any corporation which is not a Subsidiary Company at the time of the execution of this Indenture but which shall hereafter become such, such Notes or Stock may not be issued out of the surplus of such Subsidiary Company existing at the time of its acquisition, but may only be issued out of earnings accrued to, or for value received by, such Subsidiary Company subsequent to the date of acquisition; and in the case of the issuance of such Demand Notes or Stock by any such corporation, the statement required by Paragraph A of Section 2 of this Article shall also state that the requirements of this proviso have been complied with.

D. An opinion of counsel, who may be counsel to the Company, selected and approved in the manner provided in B above to the effect that the Notes or Stock of such Subsidiary Company deposited in accordance with the requirements of Paragraph C above have been validly issued and that the title to such Notes

or Stock is vested in the Trustee free and clear of all liens prior to the lien of this Indenture, except the Underlying Mortgages if the lien thereof should extend to such Notes or Stock.

E. A certificate signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating that the Company has at least a 95% interest (as such term is defined in Section 3 of Article II) in the Subsidiary Company, the Notes or Stock of which have been deposited in accordance with the requirements of Paragraph C above.

3. In the case of expenditures for additional property, permanent improvements, extensions and additions of a Subsidiary Company in which the Company has less than a 95% interest, in addition to A,

either C and D; and

F. A statement signed by the President or a Vice-President and the Treasurer or an Assistant-Treasurer of the Company stating the percentage of the interest of the Company in such Subsidiary Company computed in accordance with Section 3 of Article II showing the proportion of the actual cash expenditures set forth in the statement referred to in paragraph A of this Section with which the Company may be credited pursuant to Clause A of Section I of this Article.

Or in lieu of C, D and F;

G. Demand Mortgage Bonds of such Subsidiary Company in an amount at face value at least equal to the actual cash cost of the additional property, permanent improvements, extensions or additions purchased, acquired or constructed by such Subsidiary Company and described in the statement referred to in paragraph A.

In case the provisions of the Underlying Mortgages shall require the deposit of such bonds with the trustees of either of said mortgages, the Trustee may receive in lieu of such bonds, a certificate of either of the trustees under such Underlying Mortgages, certifying that the deposit of such bonds with said trustee is required by the terms of said mortgage and further certifying that they have been so deposited and specifying the amounts so deposited.

Provided, however, that in the case of the issuance of such bonds by any corporation which is not a Subsidiary Company at the time of the execution of this Indenture but which shall hereafter become such, such bonds may not be issued out of the surplus of such Subsidiary Company existing at the time of its acquisition, but may only be issued out of earnings accrued to, or for value received by, such Subsidiary Company subsequent to the date of acquisition; and in the case of the issuance of such bonds by any such corporation, the statement required by Paragraph A of Section 2 of this Article shall also state that the requirements of this proviso have been complied with.

H. An opinion of counsel, who may be counsel to the Company, selected and approved in the manner provided in B above to the effect that the bonds of such Subsidiary Company deposited in accordance with the requirements of paragraph G above, have been validly issued and are secured by a mortgage upon the property described in the statement referred to in paragraph A and that the title to such bonds is vested in the Trustee free and clear of all liens prior to the lien of this Indenture, except the Underlying mortgages if the lien thereof should extend to such bonds. Such opinion shall further state that the terms of said mortgage are such as in all respects to afford to the

holders of bonds issued and outstanding thereunder as prompt, effective and efficient a remedy as afforded by this Indenture to the holders of Bonds outstanding hereunder and that such mortgage in its substantial provisions is equivalent to and not less favorable to the holders of bonds outstanding thereunder than the provisions of Articles III, IX, X and XI of this Indenture; provided that the opinion of counsel as to such further matters once given with respect to a particular mortgage of a Subsidiary Company need not be furnished upon subsequent deliveries of bonds secured by such mortgages.

4. In the case of expenditures for securities described in Subdivision 3 of Section 5 of Article II.

I. A statement signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company stating that since November 30, 1921 (or in the case of Subsidiary Companies which became such subsequent to November 30, 1921, since the date of acquisition) the Company or a Subsidiary Company in which the Company shall have at least a ninety-five per cent. interest has purchased shares of stock, bonds, notes or other obligations (hereinafter called securities) of any corporation not theretofore a Subsidiary Company and which upon such acquisition has become a Subsidiary Company, and stating the actual cash cost thereof, and stating further that such securities do not include any described in Clauses (a), (b), (c), (d), (e) and (g) of Section 5 of Article II, and stating further that neither the Company nor any such Subsidiary Company has been reimbursed for any part of such actual cash cost in Bonds issued under this Indenture, or in the alternative stating to what extent the Company or any Subsidiary Company has been so reimbursed, and stating further whether any of the property of such corporation is of the nature

described in Section 3 of Article IX and if so, specifying the same, and stating the proportion which such property is of the entire property represented by such securities, and stating further the amount of outstanding stock of all classes of the corporation whose securities have been acquired and showing that the same has become a Subsidiary Company as such term is defined in Section 3 of Article II.

J. The securities which have been acquired, together with such instruments of transfer thereof, duly executed, as may be necessary in the opinion of counsel, who may be counsel to the Company, selected and approved in the manner provided in B above, to vest the title to such securities in the Trustee free and clear of all liens prior to the lien of this Indenture except the Underlying Mortgages if the lien thereof should extend to such securities, together with the opinion of such counsel to the effect that they have examined such securities and all proceedings relative to their issue and that such securities have been properly authorized and executed and that the corporation issuing such securities is validly organized and has corporate power to issue the same and that such securities have been validly issued, and that the amount of outstanding stock of all classes of such corporation is as stated in the statement required to be furnished in accordance with paragraph I.

In case the provisions of either of the Underlying Mortgages shall require the deposit of such securities with the trustee of such mortgage, the Trustee may receive in lieu of such securities a certificate of such trustee certifying that the deposit of such securities with said trustee is required by the terms of said mortgage, and further certifying that they have been so deposited and specifying the amount so deposited.

SECTION 3. If in any year commencing December 1, 1921, or commencing each December first thereafter, any part of the Depletion and Depreciation Fund shall have been expended in the manner set forth in Clause B of Section 1 of this Article, the Company shall on or before November 30th of such year deliver to the Trustee a statement of the Bankers as to the amount expended by them during such year for the purchase of Bonds on account of the Company, pursuant to Clause B of said Section, exclusive of any Bonds purchased by the Bankers with funds received from the Trustee pursuant to Section 7 of this Article.

SECTION 4. If in any year commencing December 1, 1921, or commencing each December first thereafter, any part of the Depletion and Depreciation Fund is to be or shall have been expended in the manner set forth in Clause C of Section 1 of this Article, the Company shall give written notice to the Bankers on or before October 25th of such year as to the amount of cash the Company will pay to the Bankers for the account of such Depletion and Depreciation Fund, to be utilized for the purpose set forth in Clause C, Section 1 of this Article, on the next succeeding December 1st; and the Bankers shall thereupon draw by lot, in any usual manner in their discretion, a principal amount of Bonds of Series "A" sufficient to exhaust at the Sinking Fund redemption price prevailing on December first following, the funds to be paid to them for such purpose, and the Bankers having designated the Bonds so to be redeemed shall forthwith give notice to the Company to that effect, specifying the numbers thereof, and the Company shall give notice of intention to redeem such Bonds on the next succeeding December first in the manner and for the period specified in Section 4 of Article V for the redemption of Bonds at the redemption price

specified in Section 7 of Article V, and in case the Company shall fail to give notice of call for redemption, as therein provided, the Bankers may forthwith at the expense of the Company, give notice with the same effect as though such notice had been given by the Company as therein required, and the Company shall on or before such next succeeding December 1st pay to the Bankers the amount of cash specified in the notice which the Company shall have given to the Bankers.

Such notice having been given and such payment having been made as hereinbefore provided, the Bonds so called for redemption shall become due and payable on said December first in the manner and with the effect set forth in Section 9 of Article V, and the holder of each and every Bond of Series "A" issued under this Indenture hereby agrees to accept payment thereof prior to maturity on the terms and conditions in this Section 4 set forth, provided, however, that Bonds are not subject to redemption under this Section to a greater aggregate principal amount in any one year than taken at the then prevailing Sinking Fund redemption price shall equal Three Million Dollars (\$3,000,000).

The Company agrees on or before November 30th of each year to deliver to the Trustee a statement of the amount to be expended by the Bankers on the next succeeding December first for such redemption of Bonds, excluding therefrom any Bonds which may be called for redemption pursuant to Section 7 of this Article.

In the event that any Bonds are called for redemption pursuant to the provisions of this Section and after such call are converted into Eight Per Cent. Cumulative Preferred Stock of the Company prior to the date of redemption, the Trustee agrees to notify the Bankers and the Company of the numbers of such Bonds.

SECTION 5. If in any year, commencing December 1, 1921, or commencing each December first thereafter any part of the Depletion and Depreciation Fund is to be expended in the manner set forth in Clause D of Section 1, the securities specified in such Clause shall be deposited with the Trustee on or before November 30th of such year, and the Trustee shall hold the same as part of the mortgaged property hereunder. At the request of the Company the Trustee will from time to time sell any such securities at the highest prices which it can obtain therefor or shall deliver the same to the Company at the Company's option upon payment in cash by the Company for such securities at their current market value, and the cash received by the Trustee shall be held as part of the mortgaged property hereunder until disposed of in the manner provided in Section 7 hereof.

SECTION 6. If in any year, commencing December 1, 1921, or commencing each December first thereafter any part of the Depletion and Depreciation Fund is to be expended in the manner set forth in Clause E of Section 1 of this Article, the personal property referred to in such Clause shall be effectively pledged with the Trustee, if not theretofore so pledged, and placed in the control (physical control, in the case of tangible property) of the Trustee (but in such manner as not to interfere with the conduct of the Company's business) on or before November 30th of such year and there shall be deposited with the Trustee:

A. A certificate signed by an expert deemed by the Trustee to be qualified to act—who may be an expert in the employ of the Company—describing such personal property with reasonable detail and stating that personally or through one or more competent assistants he has examined the same and stating his opinion as to the

market value of such property at the date of the placing thereof in such control of the Trustee.

B. Such instruments of conveyance, assignment and transfer as may be necessary in the opinion of counsel (who may be counsel to the Company) selected by the Board of Directors of the Company and approved by the Trustee to vest in the Trustee, to hold as part of the mortgaged property hereunder, all right, title and interest in and to the personal property described in the certificate referred to in A, together with the opinion of such counsel that the title to such personal property is vested in the Trustee free and clear of all liens prior to the lien of this Indenture and that all acts and things have been done and performed necessary to place the Trustee in such control of such property so far as possible so as not to interfere with the conduct of the Company's business.

The Company agrees from time to time similarly to place the Trustee in such physical control of additional personal property, if necessary to maintain continuously the market value of the property originally so controlled at the amount at which it shall have been originally taken by the Trustee and agrees at any time, upon demand by the Trustee, to furnish to the Trustee a certificate similar to that provided for in Paragraph A as to the value of such property at the time of such demand by the Trustee.

If at any time the value of the property so controlled shall have increased above the amount at which it shall have been originally taken by the Trustee, the Company will be permitted to withdraw sufficient of such property so that the value of the remaining property shall be at least equal to the amount at which such property had originally been taken by the Trustee, provided that the Company shall as a condition of such withdrawal, de-

deliver to the Trustee a certificate of the nature specified in Paragraph A as to the value of the personal property which shall remain in the control of the Trustee as of the date of such demand for withdrawal of the remainder.

The Trustee agrees from time to time, at the request of the Company, to redeliver to the Company any such property

(a) Upon receiving payment in cash from the Company of an amount equal to the amount at which such personal property shall have originally been taken by the Trustee, and the cash received by the Trustee shall be held as part of the mortgaged property hereunder until disposed of in the manner provided in Section 7 hereof; provided, however, that the cash payment to be made by the Company to the Trustee shall not exceed the amount of the Depletion and Depreciation Fund which has been satisfied by the original placing of such property in the control of the Trustee; or

(b) Upon receiving the documents and/or securities specified in Section 2 hereof evidencing expenditures of the nature described in Clause A of Section 1 hereof (and not included in any statement theretofore filed with the Trustee pursuant to Paragraph A of Section 2 hereof) and subject to the limitations therein contained, equal to the amount of the Depletion and Depreciation Fund which has been satisfied by the original placing of such property in the control of the Trustee.

SECTION 7. Upon the written request of the Company the Trustee will pay over any cash received by it pursuant to Clause F of Section 1 and Sections 5 and 6 hereof, either:

A. To the Company to reimburse it for expenditures of the nature described in Clause A of Section 1 hereof (and not included in any statement theretofore filed with the Trustee pursuant to Paragraph A of Section 2 hereof) and subject to the limitations therein contained, upon receipt of the appropriate documents and/or securities specified in Section 2 hereof; or

B. To the Bankers to be used in the manner described in Clause B of Section 1 of this Article; or

C. To the Bankers to be used in the manner described in Clause C of Section 1 of this Article. In such case, the Bankers shall forthwith draw by lot in any usual manner in their discretion, a principal amount of Bonds sufficient to exhaust at the Sinking Fund redemption price which will be prevailing at the date of redemption, the funds paid to them for such purpose as near as may be and the Bankers having designated the Bonds so to be redeemed shall forthwith give notice to the Company to that effect, specifying the numbers thereof and the Company shall give notice of intention to redeem such Bonds on a date not later than thirty-five days thereafter in the manner and for the period specified in Section 4 of Article V at the redemption price specified in Section 7 of Article V, and in case the Company shall fail to give notice of call for redemption, as therein provided, the Bankers may forthwith, at the expense of the Company, give notice with the same effect as though such notice had been given by the Company as therein required.

Such notice having been given as hereinbefore provided, the Bonds so called for redemption shall become due and payable on such date in the manner and with the effect set forth in Section 9 of Article V, and the holder of each and every Bond of Series "A" issued under this Indenture hereby agrees to accept payment thereof

prior to maturity on the terms and conditions in this Section 7 set forth, provided, however, that Bonds are not subject to redemption under this Section and under Section 4 of this Article to a greater aggregate principal amount in any one year than taken at the then prevailing Sinking Fund redemption price or prices shall equal Three Million Dollars (\$3,000,000).

SECTION 8. The Company agrees that within one year after the pledge of securities with the Trustee pursuant to Clause D of Section 1 of this Article or the pledge of personal property pursuant to Clause E of said Section or the deposit of cash pursuant to Clause F of said Section, it will request the Trustee to apply the cash proceeds of such securities or personal property or such cash, if the same shall still be held by the Trustee at such time, and to sell such personal property if the same is still held by the Trustee at such time and to apply the cash proceeds thereof, in one of the three methods specified in Section 7 hereof.

SECTION 9. In the event that in any year the Company shall fail to comply with the covenants contained in this Article the said failure shall not constitute an event of default under this Indenture, but until such failure shall have been made good in succeeding years, the Company agrees:

A. That it will pay no cash dividends upon its Common Stock from and after any such failure, until the same shall have been made good; and

B. That after any such failure shall have continued for two years, it will not pay any cash dividends upon its Eight Per Cent. Cumulative Preferred Stock until such failure shall have been made good.

SECTION 10. The Company agrees that it will not sell to the Bankers for the Depletion and Depreciation Fund any of the Bonds of Series "A" secured hereby and held in its Treasury or the Treasury of any of the Subsidiary Companies, except such bonds as may have been previously marketed and bought in by it or them.

In the drawing of bonds by lot to be redeemed by the Bankers for the account of the Depletion and Depreciation Fund the Bankers shall exclude from the bonds subject to drawing, any of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of the Subsidiary Companies. Prior to such drawing by lot the Company shall forthwith, upon request of the Bankers, deliver to the Bankers a statement showing the numbers of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of any of the Subsidiary Companies.

SECTION 11. The Trustee's sole duty in respect to any document deposited with it under any provision of this Article, is merely to hold the same on file open to the inspection of holders of at least one per cent. in principal amount of Bonds of Series "A" during reasonable business hours.

ARTICLE VIII.

CONCERNING PLEDGED SECURITIES.

SECTION 1. Until the final payment and satisfaction of all the First Mortgage and Collateral Trust Sinking Fund Six Per Cent. Gold Bonds, and the First Mortgage and Collateral Trust Ten Year Sinking Fund Six Per Cent. Gold Bonds issued respectively under the Underlying Mortgages, and until the satisfaction or release of such Underlying Mortgages, all the securities pledged un-

der such respective Underlying Mortgages and subject to the lien of this Indenture, shall remain subject to the prior and superior lien of said Underlying Mortgages respectively.

SECTION 2. The Company agrees to deliver or cause to be delivered to the Trustee all bonds, notes or other obligations (herein referred to as securities) and certificates for shares of stock of corporations pledged or agreed to be pledged hereunder either hereby or by any other instrument or instruments immediately upon the receipt thereof by it or any Subsidiary Company, except such securities and certificates for shares of stock as are required to be or are already pledged and deposited with either of the trustees of the Underlying Mortgages, which securities and certificates for shares of stock shall, however, as soon as they may be released from the lien of such Underlying Mortgage or Mortgages, be delivered to the Trustee as above required; provided, that a sufficient number of shares to qualify directors need not be delivered by the Company and the Subsidiary Companies, but in no case, however, shall an amount of stock be so retained sufficient to reduce the amount of the stock in any Subsidiary Company held by the Trustee to less than an amount equal to a majority of all stocks and securities of such corporation which have voting power. All certificates for shares at the time of the delivery thereof shall be duly endorsed for transfer, and accompanied by any transfer stamps required by law to effect the transfer thereof. The Trustee shall transfer into its name as Trustee, or into the name or names of its nominee or nominees, any or all such shares of stock pledged hereunder (except qualifying shares) and may cause all or any securities held by it hereunder to be registered in its name or in the name of its nominee or nominees, but the

Trustee may in its discretion cause such shares of stock to be transferred into the name of the Company or into the name or names of the nominee or nominees of the Company.

The Trustee shall be under no obligation to accept a certificate for any shares of stock, or any security of any corporation, or to cause or permit a transfer thereof to be made to it, if, in the opinion of the Trustee, such acceptance or transfer will involve or render it liable to be subjected to any liability or expense, unless the Trustee be indemnified to its satisfaction for so doing.

SECTION 3. Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing, the Company and the Subsidiary Companies pledging the same shall have the right, except as hereinafter limited, to vote any shares of stock pledged hereunder with the same force and effect as though such shares were not so pledged; and from time to time, in case said shares of stock pledged hereunder shall then be in the name of the Trustee or its nominee or nominees, the Trustee, upon the request of the Company, or the proper Subsidiary Company evidenced by a written request signed by its President or a Vice-President and its Secretary or an Assistant Secretary, shall execute and deliver, or cause to be executed and delivered to the Company or such Subsidiary Company proper proxies for voting said stock.

Neither the Company nor any Subsidiary Company shall, however, use or vote or permit to be used or voted any stock pledged hereunder to authorize, approve or assent to, the creation of any lien on any of the property or assets of any Subsidiary Company other than the Sub-

sidiary Mortgagor Companies, or the issue of any additional shares of stock of any Subsidiary Company, except as expressly permitted by the provisions of this Indenture.

Nor shall the Company nor any Subsidiary Company use or vote or permit to be used or voted any stock pledged hereunder for any other purpose contrary to its covenants herein contained or otherwise inconsistent with the provisions or purposes of this Indenture.

Every power of attorney or proxy given to the Company or to any Subsidiary Company or its nominee or nominees pursuant to the provisions of this Indenture shall, at the election of the Company, either (a) specify as the purpose or purposes for which the same may be used, the purpose or purposes expressed in such request and be limited so as expressly to authorize only the casting of a vote or votes or the giving of a consent or consents for a purpose or purposes stated in the power of attorney or proxy, which shall be not inconsistent with the provisions of this Indenture, or (b) bear on its face the following statement: "The powers hereby conferred shall not be exercised for any purpose inconsistent with the provisions of the First and Refunding Mortgage and Indenture of Trust of Empire Gas and Fuel Company, dated as of May 1, 1922". An opinion of counsel (who may be of counsel for the Company) that the purpose or purposes expressed in any power of attorney or proxy which the Trustee is requested to give in the form authorized by the foregoing clause (a) are not inconsistent with the provisions of this Indenture, shall be full protection to the Trustee in giving such power of attorney or proxy.

SECTION 4. Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of

Article XI, shall have occurred, and in either case be then continuing, the Company or the proper Subsidiary Company shall, subject to the rights of the respective trustees of the Underlying Mortgages, be entitled to receive all interest or dividends paid out of earnings (exclusive of profits realized from the sale of property other than current assets, including stores and supplies and oil and gas above ground as current assets) except that in the case of interest or dividends paid by a Subsidiary Company hereafter acquired the Company or the proper Subsidiary Company shall be entitled to receive only interest or dividends paid out of earnings derived since the date of acquisition; and from time to time upon the request of the Company the Trustee shall forthwith deliver to it, as they mature, the coupons for such interest in order that the Company may receive payment thereof for its own use, and shall deliver to the Company, if necessary, suitable orders in favor of the Company or its nominee or nominees for the payment of such interest and dividends, and the Company may collect such interest and dividends, and the Trustee shall at once pay over to the Company any such interest or dividends which may have been collected or received by it; provided, nevertheless, that

(1) The Company shall not sell, assign or transfer any coupon or right to interest or dividends delivered or assigned to it, other than to a Subsidiary Company.

(2) Neither it nor any Subsidiary Company shall collect any such coupons or interest by legal proceedings or by the enforcement of any security therefor without the prior written assent of the Trustee, nor in any manner which the Trustee shall deem prejudicial to the bonds issued hereunder.

(3) Until actually paid or discharged, every such coupon or right to interest or dividend shall in all respects remain subject to the lien of this Indenture.

(4) If any such coupons, so delivered to the Company, shall not be forthwith paid or cancelled, the Company shall return the same to the Trustee, subject to the right to have the same redelivered to the Company for payment or cancellation, and in case of payment or cancellation of any such coupon or claim for interest, the Company shall, upon demand, furnish to the Trustee satisfactory evidence thereof.

The Trustee shall be entitled to assume that any interest received by it on any security, claim or indebtedness, or any dividend received on any share of stock, is paid out of earnings which the Company or the proper Subsidiary Company is entitled to receive, unless it is notified in writing to the contrary by holders of ten per cent. of the Bonds of Series "A" (as long as Bonds of Series "A" are outstanding) and in the absence of any such written notification it shall be conclusively presumed, as between the Trustee and the bondholders, that the Trustee in making any payments thereof to the Company acted in good faith.

SECTION 5. The Trustee shall be entitled to receive all moneys paid on account of the principal of any securities held in pledge by it, and all stock dividends on any shares of stock so held in pledge, and all cash dividends, other than dividends which the Company or the proper Subsidiary Company is entitled to receive pursuant to Section 4 on any shares of stock so held in pledge, and all moneys at any time payable in respect of shares of stock, bonds or other securities of any corpora-

tion so held in pledge, derived from any sale of the property of such company on foreclosure, or on dissolution or liquidation thereof, or upon any proceeding in condemnation, or from any other source except as provided in Section 4 of this Article. The moneys so received by the Trustee shall be held and disposed of by the Trustee subject to the terms of Article X hereof. The shares of stock so received shall be held by the Trustee in pledge hereunder. The provisions of this Section shall be subject to any requirements of the Underlying Mortgages.

SECTION 6. Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing, the Trustee, upon the written request of the Company, shall consent to the extension or renewal of any securities which may then be held by the Trustee in pledge hereunder, and shall consent to the extension or renewal of any mortgages or liens securing such securities; but if one or more of the defaults enumerated in Clauses (a), (b) and (c) of said Section or of the Events of Default enumerated in said Section exists and has continued as aforesaid, the Trustee may give such consent without the request of the Company; and, in any case, the Trustee, in so far as it legally may, shall do and perform all acts and things which may be requisite and necessary to give effect to any such renewal or extension so consented to, including the delivery and exchange of pledged securities or the presentation of the same for appropriate endorsement; and the Trustee, upon the written request of the Company, may consent to the exercise by the Company, or any Subsidiary Company, of any other right, power or remedy, with respect to such securities, to which the

Company, or any Subsidiary Company, may be entitled as owner thereof, including the cancellation of any securities, or shares of the stock of a Subsidiary Company which has conveyed its property to the Company, or any Subsidiary Mortgagor Company as permitted by Section 7 of this Article; provided that the exercise of such right, power or remedy, as requested by the Company, shall not, in the opinion of the Trustee, be prejudicial to the Bonds hereby secured; and the Company covenants that in exercising any such right, power or remedy, if permitted so to do by the Trustee, it will not in any way act prejudicially to the interests or rights of the Trustee or the holders of the said Bonds.

Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing, the Trustee upon the written request of the Company shall consent to the exchange of any unsecured indebtedness of any Subsidiary Company received by the Trustee pursuant to any of the provisions of this Indenture as additional security in connection with the acquisition by any Subsidiary Company of additional property or the construction of permanent extensions, improvements or additions, for stock of such Subsidiary Company of a par value equal to the face value of the indebtedness being exchanged, provided such stock shall be accompanied by an opinion of counsel of the nature specified in paragraph M of Section 10 of Article II.

SECTION 7. Anything in this Indenture to the contrary notwithstanding, any Subsidiary Company may be merged or consolidated with, or all or any part of its property may be sold or conveyed to the Company or to any other Subsidiary Company in which the Company shall have at

least a 95% interest, with the consent of the Trustee, provided, that the relative interest and control of the Company over the properties, securities or shares of stock involved in such transaction shall not be diminished by any such transaction, and in the case of merger or consolidation with or sale or conveyance to the Company or any Subsidiary Mortgagor Company, the fixed property of such Subsidiary Company shall be subjected directly to the lien hereof, and provided, further, that no Subsidiary Company acquired hereafter on account of the acquisition of which any Bonds have been issued hereunder pursuant to Paragraph 3 of Section 5 of Article II hereof, or the Company shall have received any credit on account of its obligation contained in Section 11 of Article V or its obligation contained in Article VII or shall have obtained the release or consent to the disposition of property pursuant to Section 2 of Article IX or shall have received reimbursement from the Trustee pursuant to Section 1 of Article X, may be merged or consolidated with or sell or convey any part of its property to the Company or to any Subsidiary Mortgagor Company unless there shall be subjected directly to the lien of this Indenture assets equal in value to the value at which such securities were taken for any of such purposes, excluding for the purpose of computing the value of the assets so to be subjected any property, improvements, extensions or additions described in Clauses (a), (b), (c), (d), (e), (f) and (g) of Section 5 of Article II, or any property used as the basis for the authentication of Bonds hereunder to the extent that it has been so used.

SECTION 8. If at any time, unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred,

and in either case be then continuing, (a) there shall be promulgated any plan for the reorganization of any Subsidiary Company the stock of which shall at the time be pledged hereunder or for the readjustment of the finances thereof, then, at the written request of the Company, the Trustee may deposit the certificates for the shares of stock or securities of such company, or any of them, under said plan and may become a party thereto; and in like manner, on like request, may make any exchange, substitution, cancellation, or surrender of securities and shares of stock required by any such reorganization or readjustment plan or for the purposes or the accomplishment of any merger, consolidation or sale authorized by this Indenture; and may take such action with respect to said shares of stock and securities so pledged hereunder, required by such plan of reorganization or readjustment, or for the accomplishment of such merger, consolidation or sale, as fully and to all intents and purposes as though it were the owner of said shares of stock and securities or (b) there shall be promulgated any such plan for the reorganization of any Subsidiary Company the stock of which shall not be pledged hereunder, then on such request, the Trustee may consent to such plan of reorganization; provided, however, that the relative interest and control represented by the shares of stock and securities so deposited shall not be diminished by such readjustment, reorganization, merger or consolidation, except with relation to the rights of parties (other than the Company or any Subsidiary Company) who may have assisted in financing the reorganization on condition that they be given rights prior to or on a parity with those of the former parties in interest.

While and so long as some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of

Article XI, shall have occurred, and in either case be then continuing, the Trustee may exercise such powers by this Section granted to it, in its discretion, with respect to the shares of capital stock and securities pledged hereunder and charged with the lien hereof, without any such request from the Company.

SECTION 9. The Trustee shall consent to any sale, merger, consolidation, or plan for reorganization of the kind mentioned in Sections 7 and 8 of this Article, if

(a) It shall have been advised by one person, selected by it and paid by the Company and in the Trustee's opinion disinterested and competent (who, in the case of any sale, merger or consolidation of the kind mentioned in Section 7, may be in the employ of the Company) that the relative interest and control of the Trustee over the property, securities, shares of stock, or companies respectively sold, merged, consolidated, or reorganized will not (except as permitted hereinafter in this Section) be diminished or impaired by any such transaction or event.

(b) It shall have been advised by counsel approved by it and paid by the Company, who may be counsel of the Company, that any such sale, lease, merger, consolidation, or reorganization proposed can be lawfully carried out in the manner proposed, and that the legal effect thereof will be to leave in the Company an interest and control over the property, securities, shares of stock, or companies involved in such transaction at least equal to that which it had before the occurrence of such transaction, except, in the case of any such reorganization, with relation to the rights of parties (other than the

Company or any Subsidiary Company) who may have assisted in financing the reorganization on condition that they be given rights prior to or on a parity with those of the former parties in interest, and that the requirements of Section 7 of this Article have been complied with in the case of any sale, merger or consolidation of the kind described in said Section 7. Before the Trustee shall accept any shares of stock or securities in exchange or substitution for shares of stock or securities held by it before the occurrence of any such transaction, it shall receive the further opinion of such counsel that he has examined all of the proceedings connected with such transaction, and that in his opinion said shares of stock or securities offered in exchange or substitution have been validly issued and that the title of the Trustee thereto upon acceptance thereof will be at least as good as its title to the shares of stock or securities which it is called upon to surrender.

The Company covenants that on demand of the Trustee it forthwith will pay or will satisfactorily provide for all expenditures with interest, incurred by the Trustee under any of the provisions of this Section, including all sums required to obtain and perfect the ownership and title to any property which the Trustee shall purchase or shall cause or authorize to be purchased either at the request of the Company or where not more than ten per cent. of the price of such property shall be required to be paid in cash; and in any case, without impairment of or prejudice to any of its rights hereunder by reason of any default of the Company, the Trustee in its discretion may advance all such expenses and such other moneys required, or may procure such advances to be made by

others, and for such advances made by the Trustee or by others at its request with interest thereon the Trustee shall have a lien under this Indenture in priority to the lien of the Bonds upon all of the trust estate.

SECTION 10. Any new securities or shares of stock issued under any provision of this Article in exchange for securities or shares of stock subject to the lien hereof, shall be delivered to and held in pledge by the Trustee hereunder unless required by the provisions of the Underlying Mortgages to be deposited with the trustees thereunder.

SECTION 11. Wherever this Article provides for surrender of securities and/or stock by the Trustee, such provisions shall include the release by the Trustee of any of its rights therein or lien thereon, if such securities and/or stock are not in the possession of the Trustee.

SECTION 12. Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing, the Company, and/or any Subsidiary Mortgagor Company, for its own use, shall be entitled to demand and receive and collect (but not by any proceedings which the Trustee shall deem prejudicial to the trusts hereunder), and may release and discharge the principal and interest of any claims in its favor or indebtedness to it subjected to the lien of this Indenture under Section 24 of Article III hereof; and if requested by the Company, and/or any Subsidiary Mortgagor Company, the Trustee shall execute any reassignments or releases which may be required for that purpose.

ARTICLE IX.

POSSESSION, USE AND RELEASE OF MORTGAGED
PROPERTY.

SECTION 1. Unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI, shall have occurred, and in either case be then continuing, (1) the Company and its Subsidiary Companies shall be suffered and permitted to possess, manage, develop, operate and enjoy their respective properties and the property covered by this Indenture (other than shares of stock, securities, obligations and cash required to be deposited with the Trustee, and other than property held by the Trustee under Sections 5 and 6 of Article VII, as to which the Company shall only have the right of enjoyment granted herein) and to take and use any incomes, rents, issues and profits thereof in the same manner, to the same extent and with the same effect, except as provided herein, as if this Indenture had not been made, and to sell free from the lien hereof in the usual course of trade with their respective customers such merchandise as is commonly dealt in by corporations engaged in a similar business; (2) the Company and its Subsidiary Companies may at any time, without the consent of the Trustee, sell or otherwise dispose of parts of their respective properties which are neither necessary to nor useful for the operation of their respective plants or which have become worn or damaged or otherwise unsuitable for their purposes, provided that they shall substitute therefor within six months from the date of sale or other disposition, subject to the lien of these presents, free from prior liens or charges other than the Underlying Mortgages, property and/or cash of equal value so that the

security of said Bonds shall not thereby be in any wise reduced or impaired; provided, however, that the Company and its Subsidiary Companies shall not, so long as any Bonds of Series "A" are outstanding in any given six months, without the consent of the Trustee, sell or dispose of such property under this clause (2) exceeding in value one hundred thousand dollars (\$100,000). Any cash so paid to the Trustee shall be held and disposed of by it in accordance with the provisions of Article X.

SECTION 2. The Company or any Subsidiary Company may at any time sell or otherwise dispose of any other of its property at any time covered directly or indirectly hereby other than property held by the Trustee under Sections 5 and 6 of Article VII (but no shares of stocks, bonds or other securities issued by any Subsidiary Company shall be so sold or disposed of, unless all of the shares of stock and securities issued by such corporation owned by the Company or any Subsidiary Company be sold or disposed of at the same time), and the Trustee shall release the same from the lien hereof, and in the case of property of a Subsidiary Company, shall consent to the sale or disposal of such property by such Subsidiary Company and shall do all acts and things necessary on its part to evidence or make effective such release or consent, but so long as any Bonds of Series "A" are outstanding, only upon receipt by the Trustee of:

I. A copy of a *resolution* certified to have been adopted by the Board of Directors of the Company, requesting such release or consent and describing the property in such detail as the Trustee may require;

II. A *certificate* signed by the President or a Vice President of the Company, stating in substance as follows:

(a) that the retention of such property (describing the same as in the accompanying resolution) is no longer desirable in the conduct of the business of the Company (or of any such Subsidiary Company, in regard to its property), and that the security hereby afforded will not be impaired by such release or consent, and further stating what portion, if any, of said property is within the definition of Natural Gas Properties contained in Section 3 of this Article, and separately describing the same;

(b) that the Company (or a Subsidiary Company, where the property of such a company is concerned) has sold or exchanged, or has contracted or is negotiating to sell or exchange, the property in question for a consideration representing, in the opinion of the signer, its full value (which value shall be stated, and separately stated with respect to any Natural Gas Properties included in the property in question) which consideration shall be described in such detail as the Trustee may require, and may be any of the following:

(1) cash; and/or

(2) obligations secured by purchase money mortgage upon the property to be sold or exchanged; and/or

(3) In the case of the disposition of any fixed property, or in the case of the disposition of any obligations previously acquired of the nature described in the preceding Clause (2), other fixed property of the nature described in Subdivision

2 of Section 5 of Article II, free and clear of all liens and encumbrances except current taxes and except such liens as shall have existed on the property being disposed of, if it be the property of a Subsidiary Company (other than a Subsidiary Mortgagor Company) and such liens prior hereto as shall have existed on the property being disposed of, if it be the property of the Company or a Subsidiary Mortgagor Company; and/or

(4) In the case of the disposition of any oil and/or gas leases, the consideration described in the preceding clause (3) and/or other oil and/or gas leases free and clear of all liens and encumbrances excepting current taxes and Farm Mortgages, and except such liens as shall have existed on the property being disposed of, if it be the property of a Subsidiary Company (other than a Subsidiary Mortgagor Company) and such liens prior hereto as shall have existed on the property being disposed of, if it be the property of the Company or a Subsidiary Mortgagor Company; and/or

(5) In the case of the disposition of any tangible personal property (other than that of a nature which may be sold pursuant to clause (1) of Section 1 of this Article), the consideration described in the preceding clauses (3) and/or (4) and/or other such tangible personal property, free and clear of all liens and encumbrances except current taxes and except such liens as shall have existed on the property being disposed of, if it be the property of a Subsidiary Company (other than a Subsidiary Mortgagor Company) and such liens prior hereto as shall have existed on the property being disposed of, if it be the property

of the Company or a Subsidiary Mortgagor Company; and/or

(6) In the case of the disposition of bonds and/or stock and/or other securities of any Subsidiary Company then the consideration may also be either that described in Clauses (3), (4) and/or (5) or bonds and/or stock and/or other securities of a corporation not theretofore, but which would thereupon become, a Subsidiary Company.

III. If the consideration stated in said certificate for any such property shall be

(a) Cash, then such cash or a certificate of any trustee or mortgagee under any mortgage which, in the opinion of counsel selected and approved as provided in Clause (b) next succeeding (who may be counsel for the Company), shall constitute a lien on any such property of any Subsidiary Company (other than Subsidiary Mortgagor Companies), or a lien prior to the lien hereof on any such property of the Company or any Subsidiary Mortgagor Company, stating that it has received such cash.

(b) Obligations of the nature described in Clause (2) of the preceding paragraph II, then such obligations or a certificate of any of the trustees or mortgagees described in Clause (a) above stating that it has received such obligations and also an opinion of counsel (who may be counsel to the Company) appointed by the Company and approved by the Trustee to the effect that such obligations are of the nature described in said Clause (2) and that the purchase money mortgage securing such obligations is or will be when

recorded, sufficient to afford a valid first lien upon the property to be sold or exchanged.

(c) Fixed property, oil and/or gas leases, or tangible personal property, then instruments of conveyance, assignment or transfer sufficient in the opinion of counsel, who may be counsel to the Company, selected and approved as provided in Clause (b), to subject the same to the lien of this Indenture (subject only to such liens prior hereto as shall have existed on the property being disposed of, and Farm Mortgages and current taxes) if such disposition is being made by the Company or any Subsidiary Mortgagor Company or if not, to vest title in the Subsidiary Company making such disposition free and clear of all liens and encumbrances except such liens as shall have existed on the property being disposed of, Farm Mortgages and current taxes, or an opinion of such counsel to the effect that no instrument of conveyance, assignment or transfer is necessary so to subject such property to the lien of this Indenture or so to vest such title to such property in such company, as the case may be, and also a statement signed by the President or a Vice-President and the Treasurer or an Assistant Treasurer of the Company, stating what portion of such property is property of the nature described in Section 3 of Article IX, and the value thereof.

Provided, however, that if any Subsidiary Company shall dispose of any fixed property, oil and/or gas leases, or tangible personal property subject at the time to the lien of a mortgage securing bonds then held by the Trustee hereunder, and if, for the purpose of evidencing or

making more effective the release or consent of the Trustee provided for hereunder, the Trustee shall surrender such bonds for cancellation, there shall also be delivered to the Trustee simultaneously with the surrender of such bonds, demand bonds of an equal aggregate principal amount secured by mortgage upon the property received in exchange which mortgage secures only at that time such principal amount of demand bonds and an opinion of counsel of the nature specified in paragraph R of Section 10 of Article II, with appropriate modifications. Such opinion shall further state that the mortgage securing the said Demand Bonds is subject to no prior liens other than those liens which were prior to the bonds surrendered, and that such mortgage secures only at that time the principal amount of bonds being delivered to the Trustee.

(*d*) Bonds, stock or other securities (other than obligations described in Subdivision (2) of Clause (*b*) of Paragraph II of this Section), then such bonds, stock or other securities or a certificate of either of the trustees under the Underlying Mortgages stating that it has received the same, together with an opinion of counsel, who may be counsel to the Company, selected and approved as in Clause (*c*) specified, to the effect that such bonds, stock and other securities are in his or their opinion validly issued and that title to them will upon delivery be vested in the Trustee free and clear of all liens and encumbrances, and that the company which issued the same is legally organized and existing, and a statement signed by the President or a Vice-President and the

Treasurer or an Assistant-Treasurer of the Company stating what portion of such bonds, stock or other securities are of a corporation any of the property of which is of the nature described in Section 3 of Article IX, and the value of such portion of such bonds, stock or other securities representing property of the nature described in Section 3 of Article IX as shall be in excess of that portion, if any, of the bonds, stock or other securities being disposed of represented by property of such nature.

IV. In the case of the release or conveyance of property the value of which as stated in the certificate required by paragraph II of this Section shall be in excess of \$25,000, a report of an appraiser or appraisers who shall be selected by the Trustee and whose compensation shall be paid by the Company, appraising the property to be released or conveyed and appraising the consideration to be received therefor unless such consideration shall be cash, which appraisal shall show the value of the property to be released or conveyed to be not in excess of the consideration to be received therefor, and shall show what portion of the property to be released or conveyed, or to be received, is Natural Gas Properties, separately describing the same and separately stating the value thereof.

The resolutions and certificates, and the instruments and opinions hereinbefore provided for, shall be full authority to the Trustee for making any such release or giving such consent, and the Trustee may conclusively rely upon the truth of any statement made in any such resolution, certificate, instrument or opinion whether such

statement be required by any provision of this Article or be voluntarily made; but before making any such release or giving such consent the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and the expense thereof shall be paid by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of six per cent. per annum.

SECTION 3. (a) All the property, real, personal or mixed, of the Company, and/or any of the Subsidiary Companies, now owned or hereafter acquired, used or useful in connection with the business of producing, locating, transporting, distributing, selling, and/or marketing of natural gas (hereinafter called the Natural Gas Business), are, for the purposes of this Section, called Natural Gas Properties, which term Natural Gas Properties shall include the stocks and securities issued by any Subsidiary Company, the sole business of which is the Natural Gas Business, and shall include property jointly used by the Company and/or any Subsidiary Company in connection both with its Natural Gas Business and its other business, but, in the case of such jointly used properties, such properties shall be deemed to be Natural Gas Properties only to the extent to which they are so used in the Natural Gas Business.

(b) The Company and/or all Subsidiary Companies may, at any time, sell or otherwise dispose of, and the Trustee shall release, or consent to the release of, all the Natural Gas Properties as a unit from the lien hereof upon the written request of the Company; but, so long as any Bonds of Series "A" are outstanding, only upon the retirement of seventeen million five hundred thousand dollars (\$17,500,000) principal amount of Bonds of Series "A" plus a principal amount of Bonds of any series issued hereunder equal to

(1) The principal amount of all Residue Bonds which shall have been theretofore issued on account of Natural Gas Properties or extensions, improvements or additions thereto; and

(2) The amount by which the Depletion and Depreciation Fund provided in Article VII hereof has been satisfied by expenditures in Natural Gas Properties or extensions, improvements or additions thereto in excess of thirty-five per cent. (35%) of all expenditures made pursuant to Clause A of Section 1 of Article VII; provided that, at the time of the request for such release under this Section, the Company has not made expenditures equal to the amount of such excess in properties other than Natural Gas Properties of the kind described in Article VII hereof, for which no Bonds shall have been issued; but if the Company has made such expenditures equal to the amount of such excess thereafter such expenditures to such amount shall be considered for all the purposes of this Indenture as having been made to satisfy the requirements of Article VII in lieu of the expenditures in Natural Gas Properties of the same amount, and the Company shall at the time of the request for the release under this Section furnish to the Trustee a statement of the nature specified in Paragraph A of Section 2 of Article VII with reference to such expenditures, together with the instruments and opinion specified in Paragraph B of said Section; and

(3) An amount equal to the aggregate value of property other than Natural Gas Properties which has been released, sold or disposed of pursuant to Section 2 of this Article, in exchange for Natural Gas Properties; and

(4) An amount equal to the aggregate amount of money withdrawn by the Company from the Trustee, pursuant to Article X, where Natural Gas Properties or extensions, improvements or additions thereto have been used as the basis for such withdrawal, unless such moneys were originally deposited with the Trustee for the release of Natural Gas Properties; and

(5) An amount equal to fifty per cent. (50%) of the aggregate amount of money expended for Natural Gas Properties or extensions, improvements or additions thereto, pursuant to the sinking funds to be provided for Bonds of series other than Series "A", in compliance with the minimum requirements contained in Clause (b) of Section 11 of Article V hereof;

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(6) The amount of all Bonds retired through the proceeds of the release of any portion of the Natural Gas Properties or extensions, improvements or additions thereto; and

(7) An amount equal to the aggregate value of Natural Gas Properties or extensions, improvements or additions theretofore released where the consideration for such release has been property other than Natural Gas Properties; and

(8) An amount equal to the cash proceeds of the sale of Natural Gas Properties or improvements, extensions, or additions thereto where such cash is still in the possession of the Trustee or has been utilized to reimburse the Company for the acquisition of properties other than Natural Gas Properties; and

(9) Thirty-five per cent. (35%) of the principal amount of all Bonds of all series issued hereunder which shall have been theretofore retired, excepting Bonds retired with moneys received by the Trustee, pursuant to Section 1 of Article X, and excepting also Bonds for the retirement of which other Bonds have been issued, pursuant to provisions of Section 7, Article II; provided that if at the time of any such release the Company shall be entitled to have authenticated bonds under Section 7 of Article II to any extent, thereafter the amount of bonds which it shall be entitled to have authenticated pursuant to such Section shall be reduced by thirty-five per cent. of the amount which it shall have been entitled to have authenticated at the time.

Provided that in making the computation hereinbefore provided in this clause (b) the total of (7) and (8) which may be taken into consideration shall not exceed the total of (2), (3), (4) and (5); and furthermore, if the amount of (6) exceeds the amount of (1), then such excess can be utilized in such calculation only to the extent that it represents retirement of Bonds of Series "A" and/or to the extent that the sum of (2), (3), (4) and (5) exceeds the sum of (7) and (8).

Provided that, in making the computation hereinbefore provided in this clause (b), if any of the Natural Gas Properties or extensions, improvements or additions thereto have been utilized to satisfy the minimum requirements contained in clause (c) of Section 11 of Article V hereof, as set forth in (5) above, and thereafter have been released and the proceeds thereof or the consideration therefor has been included in (6), (7) and/or (8) above, then such proceeds and/or consideration shall be included in (6), (7) and (8) only to the extent of fifty per cent. (50%) thereof.

Provided, however, that if the inventory required by Subdivision (e) of this Section shall show that any of the property described in the statements required by Clause G or S of Section 10 of Article II and by Section 11 of Article V and by paragraphs A and I of Section 2 of Article VII and by Clauses (c) and (d) of Paragraph III of Section 2 of Article IX and by Section 1 of Article X, as Natural Gas Properties, is not or does not continue to be such, at the time of the request for such release, and that the other property described in such statements is not and does not continue to be property other than Natural Gas Properties, at the time of the request for such release, then the amount of Bonds which the Company is to retire, pursuant to the provisions of this Section, shall be increased or diminished accordingly.

And provided further that there shall be added to the amount of Bonds required to be retired, as hereinbefore stated, such principal amount of Bonds, if any, as will be sufficient to reduce the remaining Bonds of all series outstanding to such principal amount that the combined net earnings of the Company and of the Subsidiary Companies from the properties other than those to be released, for twelve consecutive calendar months within the fourteen months immediately preceding the request for the release, shall have a ratio to the combined annual interest charges on the properties other than those to be released, not less than the ratio between the combined net earnings and the combined annual interest charges for such period prior to the release. For the purpose of this Section, the combined net earnings and annual interest charges shall be calculated in the manner specified in Section 2, Article II except that in calculating the combined net earnings from the properties other than those to be released, there shall not be deducted the items

mentioned in clauses (1), (2) and (3) in Section 2 of Article II in respect of the properties which are being released, and in calculating the combined annual interest charges on the properties other than those to be released there shall not be included the items mentioned in clauses (a), (b) and (c) last to occur in Section 2 of Article II in respect of the properties which are being released; and in the case of interest on obligations and dividends on preferred stock which are included in the items hereinabove mentioned to be excluded and which constitute charges both upon properties which are to be released and properties which are not to be released, such item shall be excluded only to the extent of the ratio of the value of the properties being released and so charged to the value of the properties not being released and so charged.

All Bonds of Series "A" which it may be necessary to call for redemption, for the purposes of this Section, shall be redeemed at the prices and in the manner expressed in Article IV.

(c) The Trustee shall not release or consent to the release of the Natural Gas Properties, pursuant to this Section, until Bonds of the amount required by this Section shall have been redeemed or the redemption thereof provided for, and until it shall have received (1) an inventory by one or more engineers or experts (not in the employ of the Company) selected by the Company and approved by the Trustee, which inventory shall contain a description of the property which is to be released, including the jointly used property (with proper proration of its value), shall state whether the property, described in the statements required by paragraphs G and S of Section 10 of Article II and by Section 11 of Article V and by paragraphs A and I of Section 2 of Article VII and by Clauses (c) and (d) of Paragraph III of

Section 2 of Article IX and by Section 1 of Article X, as Natural Gas Properties, is and continues to be such at the time of the request for such release, and as to whether the other property described in such statements is and continues to be property other than Natural Gas Properties at the time of the request for such release and if such inventory shall state that the nature of any such property hereinabove set forth has changed, then it shall specify the property the nature of which has so changed and shall further state the extent of such change; and (2) a copy of a resolution certified to have been adopted by the Directors of the Company requesting such release; and (3) a report similar to that provided for in Paragraph A of Section 8 of Article II showing the combined net earnings and the combined interest charges calculated in the manner hereinabove set forth, which report shall also state all other matters to show compliance with the provisions of this Section 3 necessary to entitle the Company to the release of the Natural Gas Properties.

(d) The resolution, inventory and report hereinbefore provided for shall be full authority to the Trustee for making any such release, and the Trustee may conclusively rely upon the truth of any statement made in any such resolution, inventory or report, whether such statement be required by any provision of this Section or be voluntarily made; but before making any such release the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and the expense thereof shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of 6% per annum.

(e) The Company agrees that it will not sell to the Bankers, in connection with the redemption of any Bonds

for the purposes of this Section, any of the Bonds of Series "A" secured hereby and held in its Treasury or the Treasury of any of the Subsidiary Companies, except such Bonds as may have been previously marketed and bought in by it or them.

In the drawing of Bonds by lot to be redeemed by the Bankers for the purposes of this Section, the Bankers shall exclude from the Bonds subject to drawing, any of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of the Subsidiary Companies. Prior to such drawing by lot the Company shall forthwith upon the request of the Bankers deliver to the Bankers a statement showing the numbers of the Bonds of Series "A" secured hereby and so held (without previous marketing) in the Company's Treasury or in the Treasury of any of the Subsidiary Companies.

SECTION 4. The Company or any Subsidiary Company may, from time to time, without the consent of the Trustee, assign or transfer any oil and/or gas leases or interests in such leases for the purpose of inducing the drilling of test wells in territory not fully proved, provided such assignments or transfers are in accordance with the usual practice in the oil business; and provided, further, that the aggregate value of all such property so assigned or transferred at the time of such assignment or transfer shall not in any given six months exceed in value \$100,000.00.

SECTION 5. Should any of the mortgaged property be taken by exercise of the power of eminent domain or should any governmental body, at any time, exercise any right which it may have to purchase any part of the mortgaged property, the Trustee shall release the property so

taken or purchased, and shall be fully protected in doing so upon being furnished with an opinion of counsel (who may be of counsel to the Company) selected by the Company and approved by the Trustee, to the effect that such property has been taken by exercise of the power of eminent domain, or purchased by a governmental body in the exercise of a right which it had to purchase the same. The proceeds of all property so taken or purchased shall be paid over to the Trustee, to be applied in the manner set forth in Article X hereof.

SECTION 6. In case the property of the Company or any Subsidiary Company or that portion thereof which it is desired to have released shall be in the possession of a receiver, lawfully appointed, the powers hereinbefore conferred upon the Company with respect to the sale or other disposition of property covered hereby may be exercised by such receiver, and in such case the Receiver may make the certificate provided for in Clause II of Section 2 of this Article, instead of an officer of the Company, and the resolution of the Board of Directors of the Company may be dispensed with; and if the Trustee shall be in possession of such property under any provision of this Indenture, then such powers may be exercised by the Trustee in its discretion; and in such case the resolution and certificate may be dispensed with.

No purchaser in good faith of property purporting to be released hereunder shall be bound to ascertain the authority of the Trustee to execute the release, or to inquire as to any facts required by the provisions hereof for the exercise of such authority and shall be fully protected in relying upon such release.

SECTION 7. In the ordinary course of business the Company, and every Subsidiary Company, shall have full power

(a) From time to time to make any changes in the location of any portion of their machinery, apparatus or other plants, as in the judgment of the company owning the same shall have become expedient.

(b) From time to time, either with or without the consent of the Trustee, to make such modifications, extensions, releases, surrenders, or renewals of any gas, oil or other leases, or rights of way, which may from time to time be or become subject to this Indenture, as in the judgment of the officers of the company owning the same are necessary or expedient for the carrying on of said company's business, provided such releases or surrenders of leases shall be made only to the lessors or their successors in ownership of surface rights, and the Trustee, however, shall, from time to time, and without further inquiry, in the event that any such release shall at any time be requested by the President, a Vice-President, Manager, Secretary or Assistant Secretary of the Company, release from the lien and operation of this Indenture any leases which may at any time become subject to the lien hereof, upon a certificate being furnished, signed by the President or a Vice-President, or General Manager, and by the Secretary or an Assistant Secretary of the Company, to the effect that such company has released, surrendered or abandoned, or is about to release, surrender, or abandon, said leases, that such leases are in the opinion of the signers without value, and that such release, surrender, or abandonment will not substantially impair the security hereof.

(c) From time to time, either with or without the consent of the Trustee, to permit Farm Mortgages

to be placed upon the lands which are covered by oil and/or gas leases owned by the Company or any of the Subsidiary Companies, where such Farm Mortgages are either (1) renewals or substitutions for Farm Mortgages which were in existence as liens on said lands at the date of this Indenture, or at the date of the acquisition of such leases, whichever is later, or (2) are given to secure a debt not in excess of the value of such lands for agricultural purposes solely, without taking into consideration the value of the oil or gas rights in respect of said lands: and the Company and any of the Subsidiary Companies may, for that purpose, execute and deliver such waivers, releases, subordination agreements or other documents suitable to permit such Farm Mortgages to be or become liens prior and superior to the oil and/or gas lease or leases owned by the Company or any of the Subsidiary Companies respectively. And the Trustee shall, from time to time, and without further inquiry, join with the Company or any of the Subsidiary Companies in the execution and delivery of any of such waivers, releases, subordination agreements or other documents aforesaid, in the event that such action shall at any time be requested by the President, a Vice-President, Manager, Secretary or an Assistant Secretary of the Company upon a certificate being furnished signed by the President or a Vice-President, or Manager or Secretary or an Assistant Secretary of the Company, to the effect that either (1) the new Farm Mortgage is a renewal or a substitute for a Farm Mortgage which was in existence as a lien on the lands at the date of this Indenture, or at the date of the acquisition of such leases, whichever

is later, or (2) is given to secure a debt not in the opinion of the signer in excess of the value of such lands for agricultural purposes solely, without taking into consideration the value of the oil or gas rights in respect of said lands.

SECTION 8. Anything in this Indenture to the contrary notwithstanding, it is hereby expressly provided that if the Company or Empire Refining Company shall desire to obtain the release of any of the property mortgaged or pledged hereunder, and such property so desired to be released is subject directly to the lien of the indentures of May 1, 1916, or of February 1, 1917, mentioned in the granting clauses hereof, then and in such case all the provisions of this Indenture, in respect of the release of property, shall be deemed to be fully satisfied and complied with, if the terms and provisions of said indenture of May 1, 1916, or February 1, 1917, as the case may be, have been satisfied and complied with to the satisfaction of the trustee thereunder, and the Trustee hereunder shall execute a release upon the request of the Company, upon being furnished with satisfactory evidence that either the trustee under the indenture of May 1, 1916, or the trustee under the indenture of February 1, 1917, has executed or is about to execute a release in respect of such property from the lien of such indenture and that such indenture is a lien prior hereto as to such property, provided, however, that such release has not been obtained by the substitution of stocks or other securities for the release of tangible property, and the Trustee hereunder will be fully protected by an instrument from the trustees of either of said indentures as to the manner in and consideration for which such release was effected.

SECTION 9. In case at any time the Company shall own any Subsidiary Company in which it has less than a ninety-five per cent. (95%) interest, and the Company shall desire to make an arrangement with the minority interests in said Subsidiary Company, whereby the property of such Subsidiary Company is to be divided between the Company and the holders of such minority interests on the basis of value as the interest of the Company and such minority holders are represented by the proportion of stock owned by each respectively, then the Company may select an engineer or other expert who shall be satisfactory to the Trustee and who may not be an employee of the Company, who shall make an examination of the properties of such Subsidiary Company and shall make a segregation of such properties in the proportion of the stock of such Subsidiary Company owned by the Company and such minority interests, such segregation to be represented by an inventory filed by such engineer or other expert with the Trustee; and upon the filing of such inventory, the Company may thereupon cause such Subsidiary Company to transfer, assign and convey to such minority interest holders, or their nominees, the part of the property of such Subsidiary Company as shall appear in such inventory to be represented by such minority interest; or in the alternative, the Company may cause the part of such properties as shall appear in such inventory to be represented by the Company's interests in such Subsidiary Company to be transferred, assigned and conveyed to another Subsidiary Company, or to a new corporation to be formed for the purpose, which shall thereupon become a Subsidiary Company, in either of which the Company shall have at least a ninety-five per cent. (95%) interest, and to which shall be transferred all of the said properties as

shall be represented by the Company's percentage of interest as appears in such inventory; and the Trustee shall do and perform any and all acts and things necessary to be done and performed in the premises including the release of the stock and/or other securities of such Subsidiary Company in case the part of the property of such Subsidiary Company has been transferred to another Subsidiary Company or a new company formed for the purpose.

SECTION 10. Simultaneously with the execution of this Indenture or as soon thereafter as conveniently may be, the Trustee shall, without reference to the preceding Sections of this Article, execute a release to Lone Star Gas Company, dated May 1, 1922, and similar in form to the indenture of release made as of June 25, 1920, by The Equitable Trust Company of New York, as Trustee under a certain Indenture of Mortgage, dated June 16, 1919, to Lone Star Gas Company and covering the same property, except that such release shall be made by the Trustee hereunder and the recitals and statements in such release so to be executed shall be modified appropriately. The release so executed shall be delivered in escrow to a person or corporation selected by the Company and approved by the Trustee, to be released from such escrow only upon the receipt by or for the account of the Trustee hereunder of the sum of \$200,000 to be held by the Trustee under the provisions of Article X.

ARTICLE X.

APPLICATION OF MONEY RECEIVED BY THE TRUSTEE.

SECTION 1. So long as any Bonds of Series "A" are outstanding, all moneys received by the Trustee as principal of any pledged securities or as proceeds of released property or of property taken by the power of eminent domain or as insurance money, together with the sum of

\$24,821.00 paid to the Trustee at the date of the execution hereof, shall be held by the Trustee and shall be paid over by the Trustee (unless some default described in clauses (a), (b) or (c) of Section 1 of Article XI hereof, or one of the Events of Default as defined in said Section 1 of Article XI shall have occurred, and in either case be then continuing) to or upon the order of the Treasurer of the Company to reimburse the Company for moneys expended by it or by any Subsidiary Company since November 30, 1921 (or in the case of any Subsidiary Company hereafter acquired, since the date of acquisition), and irrespective of whether expended prior or subsequent to the receipt of such money by the Trustee, or the release or taking of property, proceeds of which make up or are included in such money

(a) For the replacement of property destroyed by fire or other casualty (to the extent that insurance moneys are in the hands of the Trustee), upon receipt by the Trustee of a certified copy of a resolution of the Board of Directors of the Company requesting such payment and a statement signed by the President or a Vice-President and the Treasurer or an Assistant-Treasurer of the Company, stating with reasonable detail the amount of expenditures made for such replacement, and that the replaced property has been acquired by the Company or the Subsidiary Company which owned the property destroyed, and that the replaced property is subject to no lien other than that to which the destroyed property was subject; or

(b) For the acquisition by the Company or a Subsidiary Company of additional property, or the making of extensions, additions or improvements, of the nature which might be the basis for the issuance

of Residue Bonds, pursuant to Subdivisions 1 or 2 of Section 5 of Article II; provided, however, that in case any Subsidiary Company in which the Company has less than a 95% interest, shall acquire any additional property or make any permanent improvements, extensions or additions, the Company shall be credited with only such percentage of the cost as is equal to the percentage of the interest of the Company in such Subsidiary Company computed as provided in Section 3 of Article II, unless there shall be pledged with the Trustee mortgage bonds of such Subsidiary Company to an amount at face value equal to the actual cost of such additional property, permanent improvements, extensions or additions; or

(c) In the case of cash received by the Trustee as proceeds of the release of any bonds, stock or other securities of a Subsidiary Company, also for the acquisition by the Company or a Subsidiary Company of securities which might be the basis for the issuance of Residue Bonds, pursuant to Subdivision 3 of Section 5 of Article II.

Provided, further, that cash received by the Trustee as proceeds of the release of any property which had been received in exchange for, or purchased with the proceeds from the sale of, bonds, stock or other securities of a Subsidiary Company, upon proof satisfactory to the Trustee of such facts, may be paid over by the Trustee for the purposes hereinbefore in this Clause (c) set forth, and provided, further, that in the case of any other cash received by the Trustee it may be paid over by the Trustee for the purposes hereinbefore in this Clause (c) set forth, provided Mortgage Bonds of a face amount and value at least equal to the amount of

cash to be paid over, secured by lien upon the fixed property of the corporation whose securities are being acquired, shall be deposited with the Trustee, accompanied by an opinion of counsel of the nature specified in Paragraph R of Section 10 of Article II hereof.

Provided, however, that no cash shall be paid to the Company to reimburse it for expenditures of the nature specified in Clauses (b) and (c) above until the Trustee shall have received a certified copy of a resolution of the Board of Directors of the Company requesting such payment and the appropriate documents and/or securities required to be delivered to it in accordance with the provisions of Section 2 of Article VII (except that the statements required by Paragraphs A and I of said Section shall describe only the property, permanent improvements, extensions, additions or securities acquired or constructed as to which reimbursement is being requested and shall further state that the property does not include any of the nature described in Clause (f) of Section 5 of Article II) and in addition thereto in all cases in which the sum requested exceeds \$25,000 a report of an appraiser or appraisers who shall be selected by the Trustee and whose compensation shall be paid by the Company appraising the property for the reimbursement of the cost of which payment has been requested, which appraisal shall show the value of such property over and above the principal amount of all indebtedness secured by lien upon such property prior to the lien hereof, to be not less than the amount of the payment requested.

SECTION 2. The resolutions and certificates, and the instruments and opinions hereinbefore in this Article provided for, shall be full authority to the Trustee for the payment of any moneys as requested therein, and the Trustee may conclusively rely upon the truth of any statement made in any such resolution, certificate, instrument or opinion, whether such statement be required by any provision of this Article or be voluntarily made; but before making any such payment the Trustee may, in its discretion, cause to be made such independent investigation as it may see fit, and the reasonable expense thereof shall be paid by the Company, or if paid by the Trustee, shall be repaid by the Company upon demand, with interest at the rate of six per cent. per annum.

SECTION 3. Any such moneys in the hands of the Trustee, and not theretofore paid over or requested to be paid over to reimburse the Company as aforesaid shall, on the election and in accordance with the request of the Company evidenced by a copy of a resolution certified to have been adopted by its Board of Directors, be applied by the Trustee to one or more of the following purposes as specified in such request:

(1) To the purchase of bonds of any one or more series issued and outstanding hereunder at not exceeding their respective redemption prices, if any, in force at the time of purchase, or their principal amount and accrued interest in the case of series for which no redemption price has been fixed; or

(2) To the redemption of bonds of any one or more series issued and outstanding hereunder, in accordance with the provisions of Article IV of this Indenture, or of any indenture supplemental hereto

which may prescribe terms of redemption of future series.

Any such moneys in the hands of the Trustee for a period in excess of two years and not theretofore paid over to reimburse the Company as aforesaid, or applied to the purchase or redemption of bonds as aforesaid, shall be forthwith applied by the Trustee to the redemption of bonds of the different series issued hereunder in proportion, as near as may be, to the amount of bonds of the different series outstanding at the time.

All Series "A" Bonds purchased or redeemed pursuant to this Section shall be purchased or redeemed through the Bankers.

Upon the retirement of all of the Bonds of Series "A" any of the moneys received by the Trustee as hereinabove in Section 1 of this Article described shall be paid to or upon the order of the Company, as requested in a resolution of the Board of Directors of the Company certified as such by the Secretary or an Assistant Secretary of the Company, unless otherwise provided in an Indenture or Indentures supplemental hereto.

ARTICLE XI.

REMEDIES UPON DEFAULT.

SECTION 1. In case so long as any Bonds of Series "A" are outstanding one or more of the following events, herein termed Events of Default, shall happen, that is to say,

(a) default shall be made in the payment of any instalment of interest on any of the Bonds when the same shall become payable, as therein and herein expressed, and such default shall continue for sixty days; or

(b) default shall be made in the payment of the principal of any of the Bonds when the same shall become due and payable, either at maturity, by call for redemption, by declaration or otherwise; or

(c) default shall be made in the payment of any instalment of the Sinking Funds herein or in any Supplemental Indenture provided for, and shall continue for sixty days; or

(d) default shall be made in the observance of any of the covenants, agreements or conditions on the part of the Company or the Subsidiary Mortgagor Companies in the Bonds or in this Indenture expressed, except as in Article VII specifically excepted, and the Company shall not remedy such default within ninety days after written notice of such default shall have been served upon the Company by the Trustee, which shall serve such notice at the request of the holders of five per cent. in amount of the Bonds of Series "A" then outstanding; or

(e) an event of default as defined in either of the Underlying Mortgages shall happen and the trustee under either of said mortgages shall declare due and payable the Bonds secured thereby; or

(f) default shall be made (1) in the payment of any instalment of interest upon any bond or obligation secured by a lien prior hereto on any part of the property or plants of the Company or any Subsidiary Company, other than bonds or obligations pledged hereunder or (2) in the payment of the principal of any bond or obligation, the payment of the principal or interest of which is so se-

cured, and any such default shall continue for sixty days; provided, however, that such non-payment shall not constitute a default if the funds to pay such interest and/or principal shall have been deposited with the Trustee, nor so long as the Company or such Subsidiary Company shall in good faith contest the validity of the claim or demand and stay the execution thereof; or

(g) default shall be made (1) in the payment of any interest upon indebtedness of any Subsidiary Company, other than indebtedness pledged hereunder, or (2) in the payment of the principal of any such indebtedness, and any such default shall continue for sixty days provided, however, that such non-payment shall not constitute a default if the funds to pay such interest and/or principal shall have been deposited with the Trustee, nor so long as such Subsidiary Company shall in good faith contest the validity of the claim or demand and stay the execution thereof; or

(h) the Company or any Subsidiary Company shall be adjudged bankrupt or insolvent, or a receiver by reason of insolvency or bankruptcy shall be appointed of any substantial part of the property of the Company or any Subsidiary Company, and not be dismissed within sixty days after appointment; or

(i) a receiver, other than by reason of insolvency or bankruptcy, shall be appointed of the property of the Company or any Subsidiary Company, and shall not be dismissed within sixty (60) days after appointment, and the declaration in writing delivered to the Trustee by thirty-five per cent. (35%) in principal amount of the Bonds of Series "A" then

outstanding hereunder that the appointment of said receiver constitutes a default; or

(j) the Company or any Subsidiary Company shall file a petition for voluntary bankruptcy or make a general assignment for the benefit of all creditors; or

(k) final judgment for the payment of money shall be rendered against the Company or any Subsidiary Company and it shall not discharge the same or cause it to be discharged within sixty days from the entry thereof, or shall not appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment was granted, passed or entered or shall not otherwise be contesting the same;

(l) An event of default as defined in any indenture supplemental hereto.

then, the Trustee may (if in the case of an Event of Default described in (h), (j) or (k) and if the default is occasioned by a Subsidiary Company, then only if the value of the interest of the Company in such Subsidiary Company exceeds \$200,000.) in its discretion, and shall, upon request in writing by the holders of 25% in amount of all Bonds then outstanding under this Indenture, including therein 25% in amount of Bonds of Series "A" then outstanding, declare the principal of all the Bonds, if not already due, to be forthwith due and payable, and upon such declaration the same shall become due and payable immediately. This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable and before the recovery by the Trustee of final judgment or decree under this Indenture, all arrears of interest upon all of the Bonds, with interest on overdue instalments

of interest at the rates which the respective Series bear, together with the reasonable charges and expenses of the Trustee, its agents and attorneys, shall be paid by the Company, and all other defaults under the Bonds or any of them, or under this Indenture shall be made good to the satisfaction of the Trustee, then and in such case the holders of a majority in amount of the Bonds then outstanding, by written notice to the Company and to the Trustee, may waive such default and its consequences; but no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

SECTION 2. Upon the happening of any event of default specified in the preceding Section 1 of this Article XI, then and in each and every such case, such default subsisting, the Trustee personally or by agents or attorneys, may enter into and upon all or any part of the premises, lands, rights, interests and other property hereby conveyed, or intended so to be, and each and every part thereof, and may exclude the Company and the Subsidiary Mortgagor Companies, their agents and servants wholly therefrom; and, having and holding the same, may use, operate, manage and control said property and the entire trust estate, and conduct their business, either personally or by its superintendents, managers, receivers, agents and servants or attorneys, either in their name or otherwise as it shall deem best, in like manner as they themselves, and may, at the expense of the trust estate, from time to time, either by purchase, repairs or construction, maintain and restore and insure or keep insured, in the same manner and to the same extent as is usual in companies in the same or similar lines of business as that of the Company or the Subsidiary Mortgagor Companies, the property whereof it shall have been possessed as aforesaid, and make all necessary or proper repairs, renewals and replacements, useful alterations, ad-

ditions, betterments and improvements thereto and thereon, as to it may seem judicious. The Trustee likewise shall be entitled to collect and receive all tolls, earnings, income, rents, issues and profits of, or arising out of the operation or management of, the trust estate and every part thereof; and after deducting the expenses of operating the trust estate, and of conducting the business thereof and of all repairs, maintenance, renewals, replacements, alterations, additions, betterments and improvements, and all payments which may be made for taxes, assessments, insurance, and prior or other proper charges upon the trust estate, or any part thereof, as well as just and reasonable compensation for its own services and for all agents, clerks, servants and other employees by it engaged and employed and its counsel, the Trustee shall apply the moneys arising as aforesaid as follows:

(a) In case the principal of the Bonds shall not have become due, to the payment of interest, if any, in default, in the order of the maturity of the instalments of such interest, with interest thereon at the rates which the respective Series bear; such payments to be made ratably to the persons entitled thereto, without discrimination or preference (save and except, however, as otherwise provided with regard to extended, transferred or pledged coupons in Article XII of this Indenture);

(b) In case the principal of the Bonds shall have become due, by declaration or otherwise, first to the payment of the accrued interest, in the order of the maturity of the instalments, with interest on the overdue instalments thereof at the rates which the respective Series bear, and next to the principal of the Bonds together with interest on the overdue principal at the same rate; in every instance such payment to be made ratably to the parties entitled to such pay-

ments without any discrimination or preference whatsoever (save and except, however, as otherwise provided with regard to extended, transferred or pledged coupons in Article XII of this Indenture).

In case of the happening of an event of default specified in Section 1 of this Article XI, the Trustee, such default subsisting, shall be entitled to vote on all shares of stock then subject to this Indenture, and, for the benefit of the holders of the Bonds hereby secured, shall be entitled to collect and receive all dividends on the shares of stock that shall then be subject to this Indenture, and all sums payable for principal, interest or otherwise upon any Bonds or obligations that shall then be subject to this Indenture, and to apply as hereinbefore in this Section provided the net moneys received; and, as holder of any such shares of stock and of any such Bonds or obligations, to perform any and all acts, or to make or execute any and all transfers, requests, requisitions, or other instruments, for the purpose of carrying out the provisions of this Section; but in the event that a receiver of any property upon which this Indenture is a direct lien shall have been appointed and shall be in possession thereof, the Trustee from time to time, in its discretion may, and if requested by the holders of a majority in amount of the Bonds hereby secured, it shall, turn over any part or all of the interest moneys and cash dividends declared and paid out of current earnings, so collected by it, to such receiver, and may co-operate with such receiver in managing and operating the entire properties of the Company in such manner as the Trustee shall deem for the best interests of the holders of the Bonds hereby secured.

In case all of said payments shall have been made in full and no suit to foreclose or enforce this Indenture shall have been begun or sale made, as hereinafter pro-

vided, the Trustee, after making such provision as to it may seem advisable for the payment of the next semi-annual installments of interest to fall due upon the Bonds, and for the next payments to be made to the Sinking Funds, may in its discretion restore the possession of the property hereby conveyed to the Company and the Subsidiary Mortgagor Companies, their successors and assigns, provided that if any of the events of default specified in Section 1 of this Article XI shall subsequently happen, such restoration to the Company shall not, nor shall any previous entry by the Trustee be construed to exhaust or in any manner impair the powers of entry or sale or any powers hereby granted to or conferred upon said Trustee.

SECTION 3. In case of an Event of Default hereunder, it shall be lawful for the Trustee, by such officer or agents as it may appoint, with or without entry, to sell to the highest bidder all and singular the stocks, securities, and other property which then shall be held by the Trustee or in any manner shall be subject to this Indenture, as an entirety or in such lots or parcels as the holders of a majority in amount of the Bonds secured hereby shall in writing request or, in the absence of such request, as the Trustee may determine, and at any such place or places and at such time or times and upon such notice and terms as the Trustee may fix and specify and as may be required by law. In case of the sale of any of the property subject to this Indenture or of any of the securities and/or shares of stock of any Subsidiary Company, notice of such sale shall first be given by publication in at least one daily newspaper published in the municipality in which the sale is to be made, at least once a week beginning on any day of the week for eight successive

weeks next preceding such sale, and by like publication in at least one daily newspaper published in the Borough of Manhattan, in the City of New York, and any other notice which may be required by law, and from time to time the Trustee may adjourn such sale in its discretion by announcement at the time and place appointed for such sale or for such adjourned sale or sales without further notice except such as may be required by law, and upon such sale may make and deliver to the purchaser or purchasers a good and sufficient deed or deeds for the same, which sale, as likewise any sale made under this Indenture by virtue of any judicial proceedings, shall be a perpetual bar, both at law and in equity, against the Company and the Subsidiary Mortgagor Companies, and all persons and corporations claiming or to claim by, through or under it.

SECTION 4. In case of an Event of Default hereunder, the Trustee, such default subsisting, shall have the right and power to take appropriate judicial proceedings for the protection and enforcement of its rights and the rights of the bondholders hereunder and may either after entry, as hereinbefore provided, or before entry or without entry, proceed by suit or suits at law or in equity or by any other appropriate remedy, to enforce payment of the Bonds hereby secured and to foreclose this Indenture and to sell the mortgaged premises and all property covered by this Indenture under the judgment or decree of a court or courts of competent jurisdiction, and it shall be obligatory upon the Trustee to take action either by such proceedings or by the exercise of its powers with respect to entry or sale as it may determine, (a) upon being requested so to do by the holders of twenty-five per cent. in interest of the Bonds hereby secured and then outstanding, and upon being indemnified as hereinafter provided,

in any case of any Event of Default, or (b) upon being requested so to do by the holders of fifty per cent. in interest of any series of the Bonds hereby secured and upon being so indemnified in case of any of the Events of Default numbered (a), (b) and (c) of the Events of Default mentioned in Section 1 of this Article. No bondholder or bondholders shall be entitled to institute any action, suit or any proceedings whatsoever hereunder, nor to institute any suit, action or proceedings upon or in respect of any of the Bonds or coupons hereby secured, except in case of refusal or neglect of the Trustee to act after such continued breach and such request and tender of indemnity as aforesaid; and it is expressly declared and intended that no one or more bearers or registered holders of Bonds or coupons shall have any right in any manner whatever to affect, disturb or prejudice the lien of this Indenture by his or their action, or to enforce any right by virtue of the provisions hereof, except in the manner herein provided, and that all proceedings hereunder, at law or in equity, shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all bearers and registered holders of such outstanding Bonds and coupons. Nothing in this Section or elsewhere in this Indenture or in the Bonds or in the coupons attached thereto shall affect or impair the obligation of the Company, which is unconditional and absolute, to pay the principal and interest of the Bonds to the respective bearers and registered holders of the Bonds and to the respective bearers of the coupons attached thereto, at the respective due dates in such Bonds and coupons stated, nor affect or impair the right of action, which is also absolute and unconditional, of such bearers or registered holders to enforce such payment, and the bearer or registered holder

of any of the Bonds without reference to the consent of the Trustee or of the bearer or registered holder of any other Bonds may, in his own behalf and for his own benefit, enforce and may institute and maintain any suit, action or proceeding suitable to enforce or otherwise in respect of his right to convert his bonds into Eight Per Cent. Cumulative Preferred Stock of the Company in the manner provided in the Bonds and in this Indenture.

SECTION 5. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 6. Anything in this Indenture to the contrary notwithstanding, the holders of a majority in amount of the Bonds hereby secured and then outstanding, from time to time, shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken for any sale of the mortgaged property, or for the foreclosure of this Indenture, or for the appointment of a receiver, or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions hereof.

SECTION 7. In case of an Event of Default hereunder, and upon the filing of a bill in equity, or other commencement of judicial proceedings to enforce the rights of the Trustee and of the bondholders, the Trustee, as a matter of right, shall be entitled to the appointment of a receiver of the property hereby mortgaged, and of

the income, rents, issues and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

SECTION 8. Upon any sale being made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for foreclosure or otherwise for the enforcement of this Indenture, the principal of all bonds then outstanding and secured hereby, if not previously due, shall at once become and be due and payable.

SECTION 9. Upon any such sale, whether made under the power of sale hereby given or under judgment or decree of court or otherwise, any bondholder or bondholders or the Trustee may bid for and purchase the mortgaged property, and upon compliance with the terms of sale, may hold, retain and possess and dispose of such property in their or its own absolute right without further accountability; and any purchaser at any such sale may, in payment of the purchase money, turn in any of said Bonds and coupons hereby secured in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, subject, however, to the provisions with respect to extended and pledged coupons contained in Article XII of this Indenture. Said Bonds and coupons, in case the amount so payable thereon shall be less than the amount due thereon, shall be returned to the holders thereof after being properly stamped to show partial payment.

SECTION 10. Upon any such sale, whether made under the power of sale hereby given or under judgment or decree of court or otherwise, the receipt of the Trustee or of the officer making a sale under judicial proceedings

shall be a sufficient discharge to the purchaser or purchasers at any sale for his or their purchase money, and such purchaser or purchasers, his or their assigns or personal representatives, shall not, after paying such purchase money and receiving such receipt of the Trustee or of such officer therefor, be obliged to see to the application of such purchase money, or be in any wise answerable for any loss, misapplication or non-application thereof.

SECTION 11. The proceeds of any such sale, whether made under the power of sale hereby given or under judgment or decree of court or otherwise, together with any other sums which may then be held by the Trustee under any of the provisions of this Indenture as part of the trust estate, or the proceeds thereof (except sums held by the Trustee for the redemption of particular Bonds, or specially held for the payment or redemption of any particular Bonds or coupons then outstanding), shall be applied as follows:

First: To the payment of all costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents and attorneys, and of all other sums payable to the Trustee hereunder by reason of any expenses, liabilities or advances made by it.

Second: To the payment of the whole amount then owing and unpaid upon the bonds hereby secured for principal and interest, with interest at the rates which the respective Series bear on the overdue principal and instalments of interest, and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid, then to the payment of such principal and interest ratably, without preference or priority of principal over interest,

or of interest over principal, or of any instalment of interest over any other instalment of interest (save and except, however, as otherwise provided with regard to extended, transferred or pledged coupons in Article XII of this Indenture).

Third: Any surplus then remaining to the Company, and the Subsidiary Mortgagor Companies, their successors or assigns, or to whosoever may be lawfully entitled to receive the same.

SECTION 12. In case of an Event of Default, as aforesaid, neither the Company nor the Subsidiary Mortgagor Companies nor any one claiming through or under them shall or will set up, claim or seek to take advantage of any appraisements, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any property subject to the lien hereof may be situated, in order to prevent or hinder the enforcement or foreclosure of this Indenture, or the absolute sale of the property hereby conveyed, or the final and absolute putting into possession thereof immediately after such sale, of the purchaser or purchasers thereat, and the Company, and the Subsidiary Mortgagor Companies, for themselves and all who may claim through or under them hereby waive the benefit of all such laws, and further waive any and all right to have the estate comprised in the security intended to be created hereby marshalled upon any foreclosure of the lien hereof and agree that the Trustee or any court having jurisdiction to foreclose such lien may sell the mortgaged property as an entirety.

SECTION 13. No waiver of any default hereunder, whether by the Trustee or the bondholders, shall extend

to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon.

SECTION 14. In case the Trustee shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored to their former positions and rights hereunder with respect to the mortgaged property, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

SECTION 15. No delay or omission of the Trustee, or of any holders of Bonds hereby secured, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Indenture to the Trustee, or to the bondholders, may be exercised, from time to time, and as often as may be deemed expedient by the Trustee, or by the bondholders.

SECTION 16. Upon the completion of any sale or sales under this Indenture, the Trustee shall transfer and deliver or cause to be transferred and delivered to the accepted purchaser or purchasers the property so sold. The Trustee and its successors hereby are appointed the true and lawful attorneys irrevocable of the Company and the Subsidiary Mortgagor Companies in its and/or their names and stead to make all necessary transfers of property thus sold, and for that purpose it or they may execute all necessary instruments of assignment and transfer, the Company and the Subsidiary Mortgagor

Companies hereby ratifying and confirming all that their said attorneys shall lawfully do by virtue hereof.

SECTION 17. In case, so long as any Series "A" Bonds are outstanding

(1) default shall be made in the payment of any instalment of interest on any Bond or Bonds at any time outstanding, and such default shall continue for a period of sixty days; or

(2) in case default shall be made in the payment of the principal of any of the Bonds when the same shall become payable, whether upon maturity of the Bonds, or upon call for redemption or upon declaration as authorized by this Indenture or upon a sale as provided in Section 8 of this Article; or

(3) default shall be made in the payment of any instalment of the Sinking Funds herein or in any Supplemental Indenture provided and shall continue for sixty days;

then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the Bonds, and coupons then outstanding, the whole amount that then shall have become due and payable on all such Bonds and coupons then outstanding, for interest or principal, or will pay to the Trustee or in the case of Series "A", to the Bankers, the amount of any and all payments due in respect of the Sinking Funds, as the case may be, with interest at the rates of the respective Series upon the overdue principal and instalments of interest; and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including a reasonable compensation to the Trustee, its agents, attorneys and counsel and any expenses or lia-

bilities incurred by the Trustee hereunder; and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment for the whole amount so due and unpaid.

The Trustee shall be entitled to recover judgment as aforesaid, either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the trust estate, and the right of the Trustee to recover such judgment shall not be affected by any sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the provisions of this Indenture or the foreclosure of the lien hereof; and in the case of a sale of the trust estate, and of the application of the proceeds of sale to the payment of the debt, the Trustee, in its own name, and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the Bonds then outstanding, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the debt remaining unpaid, with interest. No recovery of any such judgment by the Trustee, and no levy of any execution upon any such judgment upon property subject to the lien of this Indenture, or upon any other property, shall in any manner or to any extent affect the lien of the Trustee upon the trust estate or any part thereof, or any rights, powers or remedies of the Trustee hereunder, or any rights, powers or remedies of the holders of the Bonds, but such lien, rights, powers and remedies shall continue unimpaired as before.

Any moneys collected by the Trustee under this Section (except any moneys collected in respect of the Sinking Funds) shall after deduction therefrom of all the Trustee's expenses and liabilities, if any, incurred in con-

nection with such collection be applied by the Trustee towards payment of amounts then due and unpaid upon the Bonds and coupons respectively, ratably, and without any preference or priority of any kind, except as provided in Article XII, according to the amounts due and payable upon the Bonds and coupons respectively, at the time fixed by the Trustee for the distribution of such moneys, upon presentation of the several Bonds and coupons, and stamping thereon such payment if only partial, and canceling the same when fully paid.

Any moneys collected by the Trustee under this Section in respect to the Sinking Funds shall in the case of Series "A" Bonds be paid to the Bankers to be applied by them to the purchase and redemption of Bonds in the manner set forth in Sections 4 and 5 of Article IV and as to Bonds of other Series shall be applied by the Trustee to the purchase or redemption of Bonds of such Series in the manner specified in the Sinking Funds of the respective Series.

SECTION 18. Whenever the Company shall deem such course expedient for the better protection or security of the Bonds (although then no event of default shall have happened), the Company and the Subsidiary Mortgagor Companies, with the consent of the Trustee, may surrender or deliver to the Trustee full possession of the whole or of any part of the premises, lands, property, rights and interests conveyed or assigned hereby or pursuant hereto, or intended so to be, and may authorize the Trustee to collect the dividends on all shares of stock, and to vote upon all such shares of stock, for any period fixed or indefinite. In such event, the Trustee shall enter into and upon and take possession of the premises, lands, property, rights and interests so surrendered and delivered, for such period, fixed or indefinite as aforesaid,

without prejudice, however, to its right at any time subsequently, when entitled thereto by any provision hereof, to insist upon maintaining and to maintain such possession though beyond the expiration of any such fixed period; and the Trustee, from the time of its said entry and possession, shall work, maintain, use, manage, control and employ the same and shall receive and apply the income and revenues thereof as provided in Section 2 of this Article XI. Upon application of the Trustee, and with the consent of the Company and the Subsidiary Mortgagor Companies if no event of default shall have happened, a receiver may be appointed to take possession of, and to operate, maintain and manage the whole or any part of the trust estate, and the Company shall transfer and deliver to such receiver all such property, where-soever the same may be situated.

SECTION 19. All rights of action under this Indenture, or under any of the Bonds or coupons, may be enforced by the Trustee without the possession of any of the Bonds or coupons or the production thereof on any trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee, and any recovery of judgment shall be for the ratable benefit of the bearers and registered holders of the Bonds and coupons.

ARTICLE XII.

COUPONS PLEDGED AFTER MATURITY.

No coupon belonging to any bond hereby secured which in any way at or after maturity shall have been transferred or pledged separate or apart from the Bond to which it relates, or which shall in any manner have been kept alive after maturity by extension or by the purchase

thereof by or on behalf of the Company, shall be entitled in case of a default hereunder to any benefit of or from this Indenture except after the prior payment in full of the principal of the Bonds issued hereunder and of all coupons and interest obligations not so transferred, pledged, kept alive or extended.

ARTICLE XIII.

EVIDENCE OF RIGHTS OF BONDHOLDERS.

Any request or other instrument, which this Indenture may require or permit to be signed and executed by the bondholders, may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such bondholders in person or by attorney appointed in writing. Proof of the execution of any such request or other instrument, or of a writing appointing any such agent, or of the holding by any person of the Bonds or coupons appertaining thereto, shall be sufficient for any purpose of this Indenture if made in the following manner:

(a) The fact and date of the execution by any person of such request or other instrument or writing may be proved by the certificate of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in any State, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution;

(b) The amount of Bonds transferable by delivery held by any person executing such request or other instrument as a bondholder, and the issue numbers thereof, held by such person, and the date of his holding the same, may be proven by a certifi-

cate executed by any trust company, bank, bankers or other depositary wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with or had exhibited to such depositary, the bonds described in such certificate. The Trustee may nevertheless in its discretion require further proof in cases where it deems further proof desirable. The ownership of registered Bonds and Bonds registered as to principal shall be proved by the registry books as hereinbefore provided.

The Trustee shall not be bound to recognize any person as a bondholder unless and until his title to the Bonds held by him is proved in the manner in this Article XIII provided.

The Trustee may deem any such holding of Bonds transferable by delivery to continue until it shall have received notice in writing to the contrary.

ARTICLE XIV.

DEFEASANCE.

If and when all the Bonds issued hereunder shall have become due and payable, either at maturity or when called for redemption in any manner, or by declaration or otherwise, the Company and the Subsidiary Mortgagor Companies shall well and truly pay or cause to be paid the whole amount due on all Bonds and coupons then outstanding for principal and interest and premium, if any, or shall provide for such payment by depositing with the Trustee at any time at or before the date when such Bonds shall become due and payable the whole amount which will be due thereon for principal and interest and premiums, if any, or shall at any time

deliver to the Trustee for cancellation all of the outstanding Bonds and coupons, and shall also pay or cause to be paid all other sums payable hereunder by the Company or the Subsidiary Mortgagor Companies and shall keep, perform and observe all and singular the covenants and promises in said Bonds and in this Indenture expressed as to be kept, performed and observed by or on their part, then these presents and the estate and the rights hereby granted shall cease, determine and be void and thereupon the Trustee shall, upon request and at the expense of the Company, cancel and discharge the lien of this Indenture and execute and deliver to the Company and the Subsidiary Mortgagor Companies such deeds as shall be requisite to satisfy the lien hereof, and reconvey to them the estate and title hereby conveyed and assign and deliver to them any property subject to the lien of this Indenture which may then be in its possession.

The Company may at any time surrender to the Trustee for cancellation, or in cancelled form, any bonds of any series previously authenticated hereunder, together with all unmatured coupons thereto attached, which the Company may have acquired or possessed itself of in any manner whatsoever, and such bonds, upon such surrender, and upon delivery to the Trustee of evidence of the payment or cancellation of all past due coupons pertaining to said bonds, or cash sufficient for the payment of any thereof not so paid or cancelled, shall be deemed to be and shall be paid and retired.

ARTICLE XV.

IMMUNITY OF STOCKHOLDERS, OFFICERS AND DIRECTORS.

No recourse shall be had for the payment of any part of the Bonds or of the interest thereon or for the satis-

faction of any liability arising from, founded upon or existing by reason of the issue, purchase or ownership of the Bonds or coupons against any incorporator or any past, present or future stockholder, officer or director of the Company, as such, either directly or through the Company or otherwise, by virtue of any contract, constitution, statute or rule of law or by the enforcement of any assessment or otherwise; all such liability of incorporators, stockholders, directors or officers being expressly waived and released by the bearers and registered holders of the Bonds by the acceptance of the Bonds, and as a part of the consideration for the issue of the Bonds and being also expressly waived and released by the terms of this Indenture.

ARTICLE XVI.

EFFECT OF MERGER, CONSOLIDATION, ETC.

SECTION 1. Nothing in this Indenture contained shall prevent any consolidation or merger of the Company with or into, or any conveyance, transfer or lease, subject to this Indenture, of all the mortgaged property, as an entirety, to any corporation lawfully entitled to acquire or lease and operate the same; provided, however, and the Company covenants and agrees, that such consolidation, merger, conveyance, transfer or lease shall be upon such terms as in no respect to impair the lien of this Indenture, or any of the rights or powers of the Trustee or the bondholders hereunder; and provided, further, that any such lease shall be made expressly subject to immediate termination by the Trustee at any time in case an Event of Default hereunder shall have occurred and also by the purchaser of the property so leased at any sale thereof hereunder, whether such sale be made under the power of sale hereby con-

ferred or under judicial proceedings; and that upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal and interest of all of said Bonds according to their tenor, and the due and punctual performance and observance of all the terms, covenants and conditions of this Indenture to be kept or performed by the Company, shall be assumed by the corporation formed by such consolidation or into which such merger shall have been made, or acquiring all the property subject to this Indenture as an entirety, as aforesaid (herein referred to as a successor corporation), by an indenture supplemental hereto in form satisfactory to the Trustee and to which the Trustee shall be a party, provided, however, that a lessee shall not be required to assume obligations to be performed after the term of the lease.

Such supplemental indenture need not, however, contain a grant by such successor corporation of its property unless it is sought to issue further bonds hereunder as provided in Section 2 of this Article, but, if it does not contain a grant, as further security for all bonds secured hereby, of all its property then owned or thereafter acquired, it shall contain:

(a) A grant by such successor corporation confirming the lien of these presents and subjecting to the lien hereof as a first lien, or as a lien subject only to liens affecting the property of the Company before the consolidation, merger, sale, conveyance, or transfer, and necessarily applying thereto, all repairs, renewals, replacements, substitutions, alterations, betterments and improvements upon, of and for the property subject to the lien hereof;

(b) A covenant and stipulation by such successor corporation that all property thereafter ac-

quired by it and necessary to the full and complete performance of any covenant herein contained relating to the upkeep of the property subject to the lien hereof, or of any other covenant hereof, shall be conclusively deemed and taken to be acquired by it in performance of such covenant and to have become subject to the prior lien of these presents;

(c) A covenant and stipulation by such successor corporation to keep the property subject to the lien hereof as far as practicable readily identifiable.

Such supplemental indenture shall in any case stipulate that the Trustee shall not be taken impliedly to waive thereby any rights it would otherwise have.

SECTION 2. In case the Company, pursuant to Section 1 of this Article, shall be consolidated with or merged into any other corporation, or shall convey or transfer, subject to the lien of this Indenture, all the mortgaged property, as an entirety, and in case the corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance or transfer, as aforesaid, shall execute and cause to be recorded an indenture with the Trustee, satisfactory to the Trustee, whereby the successor corporation shall assume and agree to pay the principal and interest of the Bonds issued hereunder and secured hereby in accordance with the provisions of said Bonds and coupons and this Indenture, and shall grant and mortgage as further security for said Bonds all property then owned or thereafter to be acquired by it, and shall agree to perform and fulfill all the terms, covenants and conditions of this Indenture binding upon the Company, thereupon such corporation shall

succeed to and be substituted for the Company, with the same effect as if it had been named herein as the Company, and the successor corporation thereupon and not otherwise may cause to be signed, issued and delivered, either in its own name or in the name of the Empire Gas and Fuel Company, any or all such Bonds which shall not theretofore have been signed by the Company and authenticated by the Trustee, and upon the order of the successor corporation in lieu of the Company, and subject to all the terms, conditions and restrictions in this Indenture prescribed, touching the authentication and issuance of Bonds, the Trustee shall certify and deliver any of such Bonds which shall have been previously signed and delivered by the officers of the Company to the Trustee for authentication, and any of such Bonds which the successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be signed and delivered to the Trustee for such purpose. All the Bonds so issued shall in all respects have the same legal rank and security as the Bonds theretofore or thereafter issued in accordance with the terms of this Indenture as though all of said Bonds had been issued at the date of the execution hereof.

The Company covenants that if Bonds are at any time issued in any new name, the Company will provide for the exchange of any Bonds previously issued for Bonds issued in any such new name, at the option of the holder and without expense to him.

The Trustee shall be furnished with a certificate of counsel (who may be of counsel to the Company) appointed by the Company and acceptable to the Trustee, which certificate the Trustee may receive as conclusive evidence that the provisions and conditions of the foregoing Sections 1 and 2, or either of them, of this Article have been complied with.

SECTION 3. In case the Company, pursuant to Sections 1 or 2 of this Article, shall be consolidated with or merged into any other corporation, or shall convey or transfer subject to the lien of this Indenture all the mortgaged property as an entirety, the Trustee shall upon the request of the successor corporation surrender to it the certificates for shares of Eight Per Cent. Cumulative Preferred Stock of the Company which it shall at the time be holding pursuant to Section 2 of Article VI hereof upon receiving from the successor corporation certificates similarly made out for an equal number of shares of the same par value of Eight Per Cent. Cumulative Preferred Stock of the successor corporation, such stock to have the same rights, privileges and preferences, to be of an issue of an authorized amount not greater than the authorized amount of Eight Per Cent. Cumulative Preferred Stock, to have no other class of stock on a parity with or having priority over it, and to be subject to the same restrictions as the stock the certificates for which are being surrendered, upon receipt by the Trustee of the opinion of counsel (who may be of counsel to the Company), selected by the Company and approved by the Trustee that the certificates for the stock to be thus delivered to the Trustee comply with the requirements of this Section, or in the alternative if such stock of such successor corporation has different rights, privileges and preferences and is subject to different restrictions than the stock, the certificates for which are being surrendered, upon receipt of an opinion of counsel selected by the Company and approved by the Trustee that such differences in rights, privileges, preferences and restrictions do not adversely affect the rights of the present or prospective holders of such Eight Per Cent. Cumulative Preferred Stock.

SECTION 4. The word "Company" wherever in this Indenture contained shall include the successor corporation, and any order, certificate or resolutions of the Company or its Board of Directors or officers provided for in this Indenture may be made by the successor corporation, or by like officials of the successor corporation, provided, however, that the provisions of this Section shall not be deemed to subject to the lien hereof the property of such successor corporation acquired after it shall have become the successor of the Company, unless it shall have expressly agreed that such shall be the case, in the manner hereinbefore in this Article provided.

ARTICLE XVII.

THE TRUSTEE.

SECTION 1. The Trustee for itself and its successors accepts the trusts of this Indenture and agrees to execute them upon the following terms and conditions, to which the parties hereto and the holders of the Bonds hereby secured mutually agree:

(a) The Trustee shall not be responsible for nor obligated to procure the recordation, registration or filing, or the re-recordation, re-registration or re-filing of this Indenture, or any additional or supplemental indenture.

(b) The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created, and the Company agrees, from time to time, to pay such compensation and reimburse it (with interest) for all expenses, including counsel fees, which it may have incurred hereunder; and the charges and expenses of the Trustee and of its counsel shall be secured by the prior lien of this Indenture, and if the Com-

pany shall fail, neglect or delay to pay the same promptly, the Trustee may withhold the same from and out of the funds in its hands and from and out of the trust estate, prior to the payment therefrom, of or on account of any of the Bonds or coupons thereto belonging.

(c) The Trustee shall be under no obligation to recognize any person or persons, firm or corporation, as the holder or holders of any of the Bonds, or to do or refrain from doing any act pursuant to the request or demand of any person or persons, firm or corporation, professing or claiming to be such holder or holders of any of the Bonds, until such person or persons, firm or corporation, shall have produced the Bond or Bonds of which he, they or it claim to be the holder, or other evidence of such holding satisfactory to the Trustee, as specified in Article XIII hereof. The Trustee shall not be required to take any action in respect of any default hereunder, which in its opinion will be likely to involve it in expense or liability, or to take any action towards the execution or enforcement of the trusts hereby created, unless requested by an instrument in writing signed by the holders of not less than twenty-five per cent. (unless a different percentage be otherwise expressly stated in this Indenture) in principal amount of the Bonds then outstanding, and tendered reasonable security and indemnity against such expense and liability, anything herein contained to the contrary notwithstanding, nor shall the Trustee be under any duty to take any action under any provision of this Indenture which, in its opinion, is likely to involve it in expense or liability until it shall have received indemnity or security satis-

factory to it (and whenever such indemnity or security is inadequate the Trustee may require further indemnity or security from time to time); and whenever reference is made in this Indenture to the furnishing or tendering of indemnity to the Trustee, such reference shall be deemed to refer to the provisions of this paragraph (c) of this Section 1; but neither any such notice or request, nor this provision therefor, shall affect any discretion herein given to the Trustee to determine whether or not the Trustee shall take action with respect to such default, or whether or not it shall take action without such request or indemnity.

(d) The Trustee may exercise its powers and perform its duties by and through, and may secure and employ in and about the execution of the trusts hereby created, attorneys, appraisers, accountants, agents and other employees, whose reasonable compensation shall be deemed a part of the expenses of the Trustee, and the Trustee shall not be answerable for the default or misconduct of any attorney, appraiser, accountant, agent or other employee selected or employed by it in pursuance hereof, if such attorney, appraiser, accountant, agent or other employee shall have been selected with reasonable care. The Trustee shall be liable only for gross negligence or wilful or intentional default in the execution of any duty or trust under this Indenture.

(e) The Trustee shall not be responsible in any manner whatsoever for the recitals herein or in the Bonds or the appurtenant coupons contained (save only the Trustee's authentication on the Bonds), all of which are made by the Company solely, nor shall it be responsible for any action or thing by it done

by reason of such representation. The Trustee shall not be responsible for, or in respect of, the validity or sufficiency of this Indenture, or the execution hereof by the Company or the Subsidiary Mortgagor Companies, or for the validity of the Bonds and coupons issued hereunder or for the sufficiency of the security or for the genuineness, validity or value of the trust estate.

(f) Unless and until the Trustee shall have received written notice to the contrary from the holders of not less than five per cent. in amount of the Bonds of Series "A" outstanding, the Trustee may assume that for the purposes of this Indenture no default has been made by the Company in the payment of any of the Bonds or of the interest thereon or in the observance or performance of any of the covenants contained in the Bonds or in this Indenture and that none of the events of default has happened, and may so assume unless the said notice shall distinctly specify the default desired to be brought to the attention of the Trustee.

(g) The Trustee shall be protected in acting upon any notice, demand, waiver, Bond, coupon, request, consent, certificate, affidavit, resolution or other paper or document believed by it to be genuine and to be signed or certified to by the proper party or parties, and shall incur no liability for any such action. In any case where it is provided in this Indenture that the Trustee may or shall accept or act upon a certificate from the Company or any of its officers or a resolution of the Company, concerning, or as proof of, any fact upon which the Trustee shall be required or permitted to take or refrain from taking action, the Trustee shall not be bound

absolutely by such certificate or resolution, but may, in its discretion and at its option, make an investigation into the truth or accuracy of any statement; and in case it shall, after such independent investigation, be satisfied that any material statement contained therein is inaccurate, it may, in its discretion, take or refuse to take or refrain from taking any action predicated or intended to be predicated thereon. Nothing in this paragraph (g) contained shall, however, take from the Trustee the protection hereby conferred upon it in case it shall not accept, without further investigation, any certificate or resolution herein provided for. As to any fact upon which the Trustee may be required or permitted to take, or refrain from taking, action, in respect of which this Indenture does not make specific provision for the evidence upon which the Trustee may act, the Trustee may accept as conclusive the statements made in a certificate in form and substance satisfactory to the Trustee, of the president or a vice-president and the secretary or an assistant secretary and the treasurer or an assistant treasurer of the Company.

(h) The Trustee in its individual capacity may acquire and hold Bonds and the coupons appertaining thereto with the same rights which it would have if it were not the Trustee hereunder.

(i) The Trustee may advise with counsel (who may be of counsel to the Company) to be selected and employed by it at the expense of the Company and shall be fully protected in respect of any action under this Indenture taken or suffered in good faith by the Trustee in accordance with the opinion of such counsel.

(j) The Trustee shall not be answerable for or personally liable for any debts contracted by it or for any assessments or charges, or for any damages to persons or property, or for salary, or for nonfulfillment of contracts, for any period wherein the Trustee shall manage the trust property or premises upon entry and possession in pursuance of the terms hereof, and the trust estate and property is hereby charged with a lien prior to the lien of the Bonds and coupons issued hereunder in favor of the Trustee for its security and indemnification against any such liability and against every liability of any kind which it may incur hereunder as well as for compensation for its services and reimbursement of all its expenses and advances hereunder with interest.

(k) The Trustee shall be under no duty or obligation in respect of any taxes which may be assessed against or imposed upon this Indenture, or imposed upon the Trustee or the Company or the Subsidiary Mortgagor Companies, or the owners or holders of the Bonds. It shall be under no responsibility or duty in respect of the disposition of the Bonds issued hereunder or the application of the proceeds thereof.

(l) The Trustee may receive a certificate under the corporate seal of the Company, signed by the secretary or by an assistant secretary of the Company, as sufficient evidence of the passage of any resolution by the board of directors or executive committee of the Company.

(m) The Trustee will pay to the Company from time to time interest on any cash balances held by the Trustee on deposit hereunder at such rate as is allowed by it at the same time on similar deposits.

(n) The Trustee shall be under no obligation to see to the delivery to it of the stocks, bonds or other obligations or securities intended to be pledged hereunder (except such thereof as by the terms of this Indenture are required to be delivered to the Trustee in advance of, or simultaneously with, the authentication and delivery by it of Bonds hereunder), nor to see that any of the property intended to be conveyed or assigned to it is properly and legally subject to the lien hereof; nor to give notice to any of the holders of the shares of stock, bonds, or other obligations or securities pledged or agreed to be pledged hereunder, or to any other person, of the making of this Indenture; nor shall it be under obligation to take any action to secure the conveyance, pledge, or deposit to or with it of any after-acquired property of the Company or the Subsidiary Mortgagor Companies.

(o) It shall be no part of the duty of the Trustee to see to the insurance of any property hereby conveyed or assigned, or to effect or renew insurance, or to procure the delivery of any policies of insurance, or the payment of the proceeds thereof.

SECTION 2. The Trustee or any successor to it in the trust may resign and be discharged from the trust created by this Indenture by giving to the Company notice in writing of such resignation, specifying a date when such resignation shall take effect, which notice shall be published at least once in each week for four successive weeks prior to the date so specified, in a daily newspaper of general circulation in the Borough of Manhattan in the City and State of New York and in a daily newspaper of general circulation in the City of Chicago in the State of

Illinois, the first publication to be not less than sixty nor more than ninety days prior to the date so specified. Such resignation shall take effect on the day specified in such notice unless previously a successor Trustee shall be appointed as hereinafter provided, either by the Bondholders or by the Company, in which event such resignation shall take effect immediately upon the appointment of such successor Trustee.

The Trustee at any time under this Indenture may be removed at any time by an instrument in writing filed with such Trustee and the Company and executed in duplicate by the holders of a majority in amount of the Bonds then outstanding.

SECTION 3. In case at any time the Trustee or any successor to it shall resign or be removed or shall otherwise become incapable of acting or for any cause a vacancy shall occur in the office of Trustee, a successor Trustee may be appointed by the holders of a majority in principal amount of the Bonds then outstanding by an instrument or concurrent instruments in writing signed by such Bondholders or by their attorneys in fact thereunto duly authorized; but, until a new Trustee shall be appointed by the Bondholders as herein authorized, the Company, by an instrument executed by order of its board of directors, may appoint a Trustee to fill such vacancy. The Company shall publish a notice of any such appointment by it made once in each week for four successive weeks in a daily newspaper of general circulation in the Borough of Manhattan in the City and State of New York and in a daily newspaper of general circulation in the City of Chicago, in the State of Illinois; but any Trustee so appointed by the Company shall immediately and without further act be superseded by a new Trustee or new Trustees appointed by the Bondholders.

SECTION 4. Every successor trustee to the Trustee herein named, or its successors in the trust hereunder, shall be a trust company or bank having power so to act, in good standing, incorporated under the laws of the State of New York or of the United States of America, and carrying on business in the Borough of Manhattan in the City and State of New York, and having a capital and surplus aggregating at least ten million dollars, if one such can be found willing to accept the trusts hereof.

SECTION 5. Any new Trustee appointed hereunder shall execute, acknowledge and deliver to the Trustee last in office, and also to the Company, an instrument accepting such appointment hereunder, and thereupon such new Trustee without any further act or writing shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors in the trust, with like effect as if originally named as Trustee herein; but the Trustee ceasing to act, shall nevertheless, on the written request of the Company, or of the new Trustee, and at the Company's expense, execute and deliver an instrument transferring to such new Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the Trustee so ceasing to act, and shall duly assign, transfer and deliver all property and money held by it to the new Trustee, it being understood that any securities, cash and other property, the custody of which is given to the Trustee herein named, shall always be in the custody of its successor in the trust hereunder. Should any deed, conveyance or instrument in writing from the Company or the Subsidiary Mortgagor Companies be required by the new Trustee for more fully and certainly vesting in and confirming to such new Trustee such estates, rights, powers

and duties, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Company and the Subsidiary Mortgagor Companies.

SECTION 6. Any corporation into which the Trustee under this Indenture, original or successor, may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which such Trustee shall be a party, shall be the successor of the Trustee under this Indenture without the execution or filing of any paper or any further act on the part of the parties hereto, provided such corporation is organized under the laws of the State of New York, or of the United States of America, carries on business in the Borough of Manhattan in the City and State of New York, and has a capital and surplus aggregating at least ten million dollars.

SECTION 7. In case any of the Bonds shall have been authenticated, but not delivered, any such successor Trustee may adopt the certificate of authentication of The Equitable Trust Company of New York, or of any successor to it, as Trustee hereunder, and deliver the same so authenticated, and in case any of the Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds either in the name of any predecessor Trustee or in the name of such successor Trustee; and in all such cases, such certificates shall have the full force which it is anywhere in the Bonds or in this Indenture provided that the certificate of the Trustee shall have.

SECTION 8. At any time or times, but only in order to conform to any legal requirements in any state in which

any part of the property then subject to this Indenture shall be located, the Trustee shall have power to appoint and to execute and deliver all instruments and agreements necessary or proper to appoint another trust company or one or more persons, either to act as separate trustee or trustees or co-trustee or co-trustees of all or any of the property subject to the lien hereof, jointly with the Trustee originally named herein, or its successors, or to act as separate trustee or trustees, of any such property, and the Company shall unite in the execution and delivery of any such instruments or agreements if requested by the Trustee.

SECTION 9. Every separate trustee, every co-trustee and every successor trustee, other than any trust company which may be appointed as successor to The Equitable Trust Company of New York, shall, to the extent permitted by law, be appointed subject to the following provisions and conditions, namely:

(1) The Bonds secured hereby shall be authenticated and delivered, and all powers, duties, obligations and rights, conferred upon the Trustee in respect of the custody of all pledged securities, shares of stock and cash shall be exercised solely by The Equitable Trust Company of New York, or a trust company appointed or acting as its successor in the trust hereunder;

(2) No power shall be exercised hereunder by such separate trustee or trustees or co-trustee or co-trustees, or successor or successors thereto, except with the consent in writing of The Equitable Trust Company of New York, or any trust company which may have been appointed or be acting as its successor in the trust; and

(3) The Equitable Trust Company of New York or its successor in the trust, at any time by an instrument in writing executed by it, may remove any other trustee or co-trustee, and may likewise and in like manner appoint a successor to such trustee or co-trustee so removed, anything herein contained to the contrary notwithstanding.

Any notice, request or other writing, by or on behalf of the holders and registered owners of the Bonds delivered solely to The Equitable Trust Company of New York, or its successor in the trust, shall be deemed to have been delivered to all of the then trustees as effectually as if delivered to each of them. Every instrument appointing any trustee or trustees other than a successor to The Equitable Trust Company of New York shall refer to this Indenture and the conditions in this Article expressed, and upon the acceptance in writing by such trustee or trustees, he, they or it shall be vested with the estates or property specified in such instrument, either jointly with The Equitable Trust Company of New York, or its successor, or separately, as may be provided, subject to all the trusts, conditions and provisions of this Indenture; and every such instrument shall be filed with The Equitable Trust Company of New York or its successor in the trust. Any separate trustee or trustees or any co-trustee or co-trustees may at any time by an instrument in writing constitute The Equitable Trust Company of New York or its successors in the trust hereunder his, their or its agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretion authorized or permitted by him, them or it, for and in behalf of him, them or it, and in his, their or its name. In case any separate trustee or trustees or co-trustee or

co-trustees, or a successor to either of them, shall die, become incapable of acting, resign or be removed, all the estates, property, rights, powers, trusts, duties and obligations of said separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by The Equitable Trust Company of New York or its successor in the trust, without the appointment of a new trustee as successor to such separate trustee or co-trustee; and no successor to any separate trustee or co-trustee shall be appointed unless such appointment shall be necessary for the full protection of the holders of the Bonds.

ARTICLE XVIII.

CONCERNING THE BANKERS.

SECTION 1. In various portions of this Indenture certain powers are vested in the "Bankers", sometimes referred to as "Sinking Fund Agent". That term shall be construed to mean Halsey, Stuart & Co., Inc., an Illinois corporation, and the successors to substantially all of the business, assets and liabilities, as a unit, of said corporation. If the corporation of Halsey, Stuart & Co., Inc., and such successors, shall cease to exist, or shall cease to do business, or shall resign as Bankers hereunder by writing filed with the Trustee, then all the powers, rights, privileges and duties of the Bankers shall be exercised by and devolve upon the Trustee, provided, however, that with the consent of the Trustee, the Company may, by instrument executed and filed with the Trustee, designate some other person or persons, firm or firms, corporation or corporations to be substituted as Bankers hereunder for Halsey, Stuart & Co., Inc. The Trustee shall incur no liability for any action taken by it in such capacity, save for its gross negligence or wilful default.

SECTION 2. In view of the fact that Halsey, Stuart & Co., Inc., may become the purchaser and distributor of bonds to be issued hereunder, and may continue to deal with the Company as if they were not the Bankers, it is agreed by the Company and the Trustee, and each holder of bonds issued or to be issued hereunder, that they are to be subject to no liability of any kind for whatever they may do or approve, or refrain from doing or approving, or neglect or decline to do or approve hereunder, except for gross negligence or wilful default.

SECTION 3. The Company agrees from time to time on demand to pay to the Bankers all expenses incurred by them hereunder, together with reasonable compensation for services rendered, and for such expenses and compensation a prior lien is hereby imposed by the Company in favor of the Bankers upon the trust estate.

ARTICLE XIX.

MISCELLANEOUS PROVISIONS.

All the covenants, stipulations and agreements in this Indenture contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and of the holders of the Bonds and of the coupons hereby secured and are not and shall not be for the benefit of any others.

Whenever in this Indenture any of the parties hereto is named or referred to, it shall be deemed to include the successors and assigns of such parties, and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Company or the Subsidiary Mortgagor Companies, or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not provided, however, that the provisions of this

Article shall not be deemed to subject the property of any successor corporation acquired after it shall have become the successor of the Company, unless it shall have expressly agreed that such shall be the case in the manner provided in Article XVI hereof.

This Indenture may be simultaneously executed in any number of counterparts, except that they may differ as to the form of acknowledgments, and all said counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

Whenever in this Indenture the term "outstanding" is used, as applied to Bonds authenticated hereunder, it shall be deemed to mean, so long as any Bonds of Series "A" are outstanding, all Bonds theretofore authenticated by the Trustee and not retired, and shall include Bonds authenticated by the Trustee and held unissued in the Company's treasury.

Whenever in this Indenture the words "Demand Notes", "Demand Bonds" or "Demand Mortgage Bonds" are used, they may include, so long as any Bonds of Series "A" are outstanding, bonds which by their terms are due and payable on or prior to May 1, 1937, and are also payable upon demand of the Trustee hereunder in the event that the Bonds of Series "A" are declared due and payable prior to May 1, 1937.

Any written demand, request, notice, certificate, appointment, approval, waiver, designation, direction, nomination or other similar act to be given, made or executed by the Company under any of the provisions hereof, shall, unless otherwise expressly provided herein, be deemed sufficiently given, made or executed if given, made or executed by a writing signed by the president or by a vice-president of the Company under the corporate seal of the Company, duly attested by its secretary or an assistant secretary. Any written demand, request, notice, certificate, appointment, approval, waiver, desig-

nation, direction, nomination, or other similar act to be given, made or executed by the Trustee under any of the provisions hereof shall be deemed sufficiently made and executed if made by a writing executed by the president or a vice-president of the Trustee, under the corporate seal of the Trustee, duly attested by its secretary or an assistant secretary. Wherever this Indenture makes provisions for the filing, delivery or giving of a notice, demand, or request to or upon the Company, it shall be sufficiently given and made if mailed in a securely enclosed postpaid envelope addressed "Empire Gas and Fuel Company, 60 Wall Street, New York, N. Y.", or to such other address as may have been filed with the Trustee by resolution of the Company.

Whenever in this Indenture the term "Farm Mortgage" is used, it shall be deemed to be a Mortgage which constitutes a lien upon lands covered by oil and/or gas leases owned by the Company or any Subsidiary Company where such Mortgage secures a debt not in excess of the value of such lands for agricultural purposes solely, without taking into consideration the value of the oil or gas rights in respect of said lands.

IN WITNESS WHEREOF, EMPIRE GAS AND FUEL COMPANY, party of the first part, EMPIRE REFINING COMPANY, EMPIRE GAS AND FUEL COMPANY, EMPIRE GAS AND PIPELINE COMPANY, EMPIRE GASOLINE COMPANY and EMPIRE PETROLEUM COMPANY, parties of the second part, have caused these presents to be signed in their respective corporate names by their respective Presidents or one of their respective Vice-Presidents, and their respective corporate seals to be hereunto affixed and the same to be attested by the signatures of their respective Secretaries or one of their respective Assistant Secretaries, and the due execution of these presents to be acknowledged,

and THE EQUITABLE TRUST COMPANY OF NEW YORK, the party of the third part, has, to signify its acceptance of the trust hereby created, caused these presents to be signed in its corporate name by its President or one of its Vice-Presidents, and its corporate seal to be hereunto affixed and the same to be attested by the signature of its Secretary or one of its Assistant Secretaries, and the due execution of these presents to be acknowledged, as of the day and year first above written.

EMPIRE GAS AND FUEL COMPANY,
[SEAL] By FRANK W. FRUEAUFF
President.

Attest:

DALE B. CARSON
Assistant Secretary.

Signed, sealed, executed and delivered }
by Empire Gas and Fuel Company }
in the presence of:

L. R. WARREN
E. L. REED

EMPIRE REFINING COMPANY,
[SEAL] By HARRY D. FRUEAUFF
Vice-President.

Attest:

E. E. McWHINEY
Assistant Secretary.

Signed, sealed, executed and delivered }
by Empire Refining Company in }
the presence of:

L. R. WARREN
E. L. REED

[SEAL] EMPIRE GAS AND FUEL COMPANY,
By PAUL R. JONES
Vice-President.

Attest:

E. E. McWHINEY
Assistant Secretary.

Signed, sealed, executed and delivered }
by Empire Gas and Fuel Company }
in the presence of:

L. R. WARREN
E. L. REED

[SEAL] EMPIRE GAS AND PIPELINE COMPANY,
By LOUIS F. MUSIL
Vice-President.

Attest :

E. E. McWHINEY
Assistant Secretary.

Signed, sealed, executed and delivered }
by Empire Gas and Pipeline Com- }
pany in the presence of: }

L. R. WARREN
E. L. REED

[SEAL] EMPIRE GASOLINE COMPANY,
By R. C. RUSSUM
Vice-President.

Attest:

C. B. WEDUM
Assistant Secretary.

Signed, sealed, executed and delivered }
by Empire Gasoline Company in }
the presence of: }

L. R. WARREN
E. L. REED

[SEAL] EMPIRE PETROLEUM COMPANY,
By MILAN R. BUMP
Vice-President.

Attest:

C. B. WEDUM
Assistant Secretary.

Signed, sealed, executed and delivered }
by Empire Petroleum Company }
in the presence of: }

L. R. WARREN
E. L. REED

THE EQUITABLE TRUST COMPANY OF NEW YORK,
[SEAL] By LYMAN RHOADES
Vice-President

Attest:

J. Y. ROBBINS
Assistant Secretary.

Signed, sealed, executed and delivered }
by The Equitable Trust Company of }
New York in the presence of: }

W. R. OSBORNE
E. PFIRMANN

STATE OF NEW YORK, }
 County of New York, } ss.:

BE IT REMEMBERED, that on this 24th day of July, 1922, before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared FRANK W. FRUEAUFF, President of EMPIRE GAS AND FUEL COMPANY, a Delaware corporation, and DALE B. CARSON, Assistant Secretary of said corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as such President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of Empire Gas and Fuel Company, a Delaware corporation, one of the makers thereof to the foregoing instrument as its President and Assistant Secretary and they each acknowledged to me that they executed the same for the uses, purposes and consideration therein set forth, and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, Empire Gas and Fuel Company.

And the said DALE B. CARSON, being first duly sworn by me, deposes and says: That the seal affixed to the said instrument is the corporate seal of said Empire Gas and Fuel Company, and was by him affixed thereto in pursuance of the power and authority granted him by the By-Laws of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489
 Commission expires March 30, 1923

STATE OF NEW YORK, }
 County of New York, } ss.:

BE IT REMEMBERED, that on this 24th day of July, 1922, before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared HARRY D. FRUEAUFF, Vice-President of EMPIRE REFINING COMPANY, a Delaware corporation and E. E. McWHINEY, Assistant Secretary of said corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as Vice-President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of Empire Refining Company, one of the makers thereof to the foregoing instrument as its Vice-President and Assistant Secretary, and they each acknowledged to me that they executed the same for the uses and purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, Empire Refining Company.

And the said E. E. McWHINEY, being first duly sworn by me, deposes and says: That the seal affixed to the foregoing instrument is the corporate seal of said Empire Refining Company, and was by him affixed thereto in pursuance of the power and authority granted him by the by-laws of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489

Commission expires March 30, 1923

STATE OF NEW YORK, }
 County of New York, } ss.:

BE IT REMEMBERED, that on this 24th day of July, 1922, before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared PAUL R. JONES, Vice-President of EMPIRE GAS AND FUEL COMPANY, a Maine corporation, and E. E. MCWHINEY, Assistant Secretary of said corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as such Vice-President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of Empire Gas and Fuel Company, a Maine corporation, one of the makers thereof to the foregoing instrument as its Vice-President and Assistant Secretary and they each acknowledged to me that they executed the same for the uses, purposes and consideration therein set forth, and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, Empire Gas and Fuel Company.

And the said E. E. MCWHINEY, being first duly sworn by me, deposes and says: That the seal affixed to the said instrument is the corporate seal of said Empire Gas and Fuel Company, and was by him affixed thereto in pursuance of the power and authority granted him by the By-Laws of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489
 Commission expires March 30, 1923

STATE OF NEW YORK, }
 County of New York, } ss. :

BE IT REMEMBERED, that on this 24th day of July, 1922, before me, the undersigned authority, a Notary Public, in and for the County and State aforesaid, personally appeared LOUIS F. MUSIL, Vice-President of EMPIRE GAS AND PIPELINE COMPANY, a Maine corporation, and E. E. McWHINEY, Assistant Secretary of said Corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as Vice-President and Assistant Secretary respectively, and as the persons who subscribed the name and affixed the seal of Empire Gas and Pipeline Company, one of the makers thereof to the foregoing instrument as its Vice-President and Assistant Secretary, and they each acknowledged to me that they executed the same for the uses and purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, Empire Gas and Pipeline Company.

And the said E. E. McWHINEY, being first duly sworn by me, deposes and says: That the seal affixed to the foregoing instrument is the corporate seal of said Empire Gas and Pipeline Company, and was by him affixed thereto in pursuance of the power and authority granted him by the by-laws of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489
 Commission expires March 30, 1923

STATE OF NEW YORK, }
 County of New York, } ss. :

BE IT REMEMBERED, that on this 24th day of July, 1922, before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared, R. C. RUSSUM, Vice-President of EMPIRE GASOLINE COMPANY, a Delaware corporation, and C. B. WEDUM, Assistant Secretary of said corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as such Vice-President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of Empire Gasoline Company, one of the makers thereof to the foregoing instrument as its Vice-President and Assistant Secretary and they each acknowledged to me that they executed the same for the uses, purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, Empire Gasoline Company.

And the said C. B. WEDUM, being first duly sworn by me, deposes and says: That the seal affixed to the said instrument is the corporate seal of said Empire Gasoline Company, and was by him affixed thereto in pursuance of the power and authority granted him by the By-Laws of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489
 Commission expires March 30, 1923

STATE OF NEW YORK, }
 County of New York, } ss.:

BE IT REMEMBERED, that on this 24th day of July, 1922, before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared MILAN R. BUMP, Vice-President of EMPIRE PETROLEUM COMPANY, a Delaware corporation, and C. B. WEDUM, Assistant Secretary of said corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as such Vice-President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of Empire Petroleum Company, one of the makers thereof to the foregoing instrument as its Vice-President and Assistant Secretary and they each acknowledged to me that they executed the same for the uses, purposes and consideration therein set forth, and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, Empire Petroleum Company.

And the said C. B. WEDUM, being first duly sworn by me, deposes and says: That the seal affixed to the said instrument is the corporate seal of said Empire Petroleum Company, and was by him affixed thereto in pursuance of the power and authority granted him by the By-Laws of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489
 Commission expires March 30, 1923

STATE OF NEW YORK,)
County of New York,} ss.:

BE IT REMEMBERED, that on this 25th day of July, 1922, before me, the undersigned authority, a Notary Public in and for the County and State aforesaid, personally appeared LYMAN RHOADES, a Vice President of THE EQUITABLE TRUST COMPANY OF NEW YORK, a corporation, and J. Y. ROBBINS, an Assistant Secretary of said corporation, who are both personally known to me to be such officers, and who are both personally known to me to be the identical persons whose names are subscribed to the foregoing instrument as such Vice President and Assistant Secretary, respectively, and as the persons who subscribed the name and affixed the seal of said THE EQUITABLE TRUST COMPANY OF NEW YORK, to the foregoing instrument as its Vice President and Assistant Secretary, and they each acknowledged to me that they executed the same for the uses, purposes and consideration therein set forth and expressed, and in the capacities therein stated, as their free and voluntary act and deed, and as the free and voluntary act and deed of said corporation THE EQUITABLE TRUST COMPANY OF NEW YORK.

And the said J. Y. ROBBINS, being first duly sworn by me, deposes and says: That the seal affixed to the said instrument is the corporate seal of said The Equitable Trust Company of New York, and was by him affixed thereto in pursuance of the power and authority granted him by the by-laws of said company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

THOS. I. CARTER

Notary Public

[SEAL]

N. Y. Co. Clks. No. 557 N. Y. Reg. 3489

Commission expires March 30, 1923



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